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Japan

PRC's Jiang Zemin Continues Visit Activities

Clarifies PRC Stand on SDF

OW0804044792 Tokyo NHK General Television Network in Japanese 0300 GMT 8 Apr 92

[Text] Visiting CPC General Secretary Jiang Zemin this morning met successively with former prime ministers, the lower house speaker, and the upper house chairman.

Among the former prime ministers who met with General Secretary Jiang were Takeo Fukuda, Zenko Suzuki, Yasuhiro Nakasone, Noboru Takeshita, Sosuke Uno, and Toshiki Kaifu. During the meeting, Nakasone asked Jiang if China's stance had changed since he last visited Beijing, at which time the general secretary told Nakasone that China did not oppose the dispatch of the Self-Defense Forces [SDF] to the Gulf to secure international sea routes.

In reply, the general secretary said that China does not approve of Japan's dispatch of armed forces overseas for military purposes, and that China is very sensitive about that issue. But, he said that China still supports SDF operations to secure sea routes for the sake of the international community, and that he has told Japanese opposition leaders that China would not oppose SDF dispatch overseas for disaster relief.

Thus, General Secretary Jiang Zemin reportedly expressed a certain understanding of SDF dispatch overseas for peaceful purposes.

Lunches With Business Leaders

OW0804124992 Tokyo KYODO in English 1205 GMT 8 Apr 92

[Excerpts] Tokyo, April 8 KYODO—Chinese Communist Party General Secretary Jiang Zemin, on the last day of his three-day visit to Tokyo, riveted attention to China's quest for foreign investment to fuel its fast-growing economy. Jiang, the highest-ranking Chinese official to visit Japan since the 1989 Tiananmen Square incident, encouraged Japan to focus on the future and step-up its investment in China, which posted the highest rate of economic growth in the world in 1991.

"China will continue to welcome investment from the Japanese business community," Jiang said at a luncheon meeting with Japanese business leaders. "Recently China has worked out a policy of speeding up economic reforms and is keeping an open-door stance to further stimulate economic development," he added. Jiang was referring to an economic development program approved earlier this month by the National People's Congress, China's legislature. He pledged that the world's most populous nation would continue "to build an economic environment with conditions favorable to investment."

Among the Japanese business leaders present at the hotel luncheon were Rokuro Ishikawa, president of the Japan Chamber of Commerce and Industry, Ken Nagano, chairman of the Japan Federation of Employers' Associations, and Takeshi Hijikata, vice chairman of the Federation of Economic Organizations (Keidanren).

Jiang later painted a bright outlook for the future of Sino-Japanese relations, telling an afternoon press conference that the two Asian giants must develop closer ties for the sake of international stability. [passage omitted]

Beijing is hoping that Emperor Akihito will visit in the fall to mark the 20th anniversary of the restoration of diplomatic ties. However, some conservative Japanese politicians have expressed concern that the emperor's visit might be marred by anti-Japanese protests.

Major Japanese newspapers, in editorials Wednesday, urged the government to pursue the matter with caution.

The MAINICHI SHIMBUN said concern within the ruling Liberal Democratic Party had some members arguing that the emperor's visit could trigger debate in China over responsibility for the war with China from 1937 until the end of World War II.

Triggering concern is Beijing's tolerance of a growing movement in China to allow individuals to seek compensation from Japan for suffering endured during that period. Tokyo maintains that the question of compensation was settled in 1972.

Jiang was also asked whether he accepted the proposed dispatch abroad of Japanese Self-Defense Forces to participate in United Nations peacekeeping operations.

"As a friend, we still hope that the Japanese side will exercise the utmost discretion," said Jiang, adding that "for well known reasons" the issue is very delicate. [passage omitted]

Jiang expressed similar caution on the subject during an hour-long breakfast meeting on Wednesday with six former Japanese prime ministers. Former Prime Minister Yasuhiro Nakasone noted that Jiang expressed understanding last year over Japan's decision to dispatch minesweepers to the Persian Gulf to remove mines planted by Iraq during the Gulf war.

Jiang responded that China understood the sending of Japan's Self-Defense Forces overseas if it was to ensure the safety of international waterways, but remained "sensitive to the dispatch of Japanese military forces overseas."

Urges More Private Investment

OW0804074692 Tokyo KYODO in English 0735 GMT 8 Apr 92

[Text] Tokyo, April 8 KYODO—Chinese Communist Party General Secretary Jiang Zemin called on Japan on Wednesday to make more direct private-sector investment in China to help its economic development. Jiang made the call in a press conference after concluding talks with Prime Minister Kiichi Miyazawa and leaders of Japanese political and business leaders [as received].

The Chinese leader said, "Cooperation by private investment between China and Japan has the potential to promote greater economic cooperation between the two countries."

Cumulative foreign investment in China has so far reached about 50 billion dollars, with some 70 percent coming from Hong Kong, and most of the remainder from the United States and Japan.

Leaves Tokyo, Arrives in Osaka

OW0804134192 Tokyo KYODO in English 1325 GMT 8 Apr 92

[Text] Osaka, April 8 KYODO—Chinese Communist Party General Secretary Jiang Zemin arrived at Osaka airport from Tokyo on Wednesday night on the second leg of his four-day visit to Japan. Jiang, a former electrician, will visit Thursday morning the head office of Matsushita Electric Industrial Co., Japan's largest consumer electronics appliance manufacturer.

After attending a midday banquet Thursday hosted by the governor of Okayama Prefecture, Jiang will visit Seto Bridge, a gigantic structure connecting two of Japan's four major islands—Honshu and Shikoku. The Chinese leader arrived Monday in Tokyo where he met Emperor Akihito, Prime Minister Kiichi Miyazawa, and other Japanese leaders.

Visits Matsushita Headquarters

OW0904043192 Tokyo KYODO in English 0425 GMT 09 Apr 92

[Text] Osaka, April 9 KYODO—Chinese Communist Party Chief Jiang Zemin visited the head office of Matsushita Electric Industrial Co. Thursday morning, praising the firm's "unique" management system, company officials said.

Jiang, who is on a five-day official visit to Japan since Monday, talked with Matsushita President Akio Tanii at the head office of the major consumer electronics maker in Kadoma, Osaka Prefecture, Matsushita officials said.

The Chinese leader reportedly told Tanii he had long been paying attention to Matsushita's unique management system and hoped to maintain friendly ties with the firm, the officials said.

Jiang arrived in the Kansai area, western Japan, Wednesday night after a three-day stay in Tokyo.

He also visited Matsushita in May 1985 while he was serving as China's electronics industry minister.

After leaving Matsushita's office, Jiang headed for Okayama, where he is scheduled to inspect the series of bridges that link the Honshu and Shikoku islands.

Earlier Thursday, in a breakfast meeting with political and economic leaders in Kansai, Jiang reiterated China's plan to promote the economic reform and open-door policy launched by Deng Xiaoping.

Jiang told the business and political leaders that China intends to establish a new system of a "merchandise economy under socialist ideology" by introducing a mixed planned and market economy.

Osamu Uno, chairman of the Kansai Economic Federation, expressed hopes of strengthening ties with China by using the new Kansai international airport which is to be completed in 1994.

Uno, who has just returned from a trip to China at the head of an economic mission of the Kansai region, was quoted as saying the Kansai business world had spearheaded exchanges between Japan and China even before the 1972 normalization of the bilateral relations.

Keizo Saji, president of the Osaka Chamber of Commerce and Industry, said his organization will hold a session of international business talks in China in 1993 and also will advertise the development in Shanghai's Pudong district at a world business convention scheduled for this autumn in Osaka, officials of his group said.

Saji sealed an affiliation contract between the Osaka chamber and the All-China Federation of Industry and Commerce when he visited China with Uno and other Kansai business leaders.

Osaka Prefecture Governor Kazuo Nakagawa also attended the breakfast meeting.

Says Better Relations Possible

OW0904125292 Tokyo KYODO in English 1232 GMT 9 Apr 92

[Text] Fukuoka, April 9 KYODO—Chinese Communist Party leader Jiang Zemin told dinner party guests here Thursday he is convinced Japan-China relations can look forward to a brighter future.

"If the governments and peoples of both China and Japan try their best, I'm convinced that China-Japan friendship will welcome a more beautiful tomorrow," Jiang told guests at a dinner jointly hosted by Fukuoka Prefecture and a number of regional economic organizations.

In his toast to Jiang, Fukuoka Governor Hachiji Okuda said he wants to see the deepening of mutual understanding and friendship between Japan and China as the two countries head into the 21st century.

Jiang, who returns to China on Friday, is wrapping up his five-day visit to Japan where he asked the Japanese Government to be prudent about dispatching its military forces overseas and warned foreign powers against meddling in Chinese affairs. On Friday, Jiang will visit the Fukuoka Museum and an experimental station for the prefecture's agricultural cooperative in the morning before boarding a chartered flight for China.

Jiang visited the head office of Matsushita Electric Industrial Co. in Osaka on Thursday morning and praised the firm on its "unique" management system, company officials said. Jiang, who had visited Matsushita in 1985 as China's electronics industry minister, told Matsushita President Akio Tanii he had long been paying attention to the system and hoped to maintain friendly ties with the firm, the officials said.

From Osaka to Fukuoka, Jiang and Foreign Minister Qian Qichen stopped to marvel at the Seto Bridge linking the islands of Honshu and Shikoku near Okayama. Earlier Thursday, in a breakfast meeting with political and economic leaders in the Kansai area, Jiang reiterated China's plan to promote the economic reform and open-door policy launched by Deng Xiaoping.

Osamu Uno, chairman of the Kansai Economic Federation, expressed hopes of strengthening ties with China by using the new Kansai International Airport, which is to be completed in 1994. Uno, who has just returned from a trip to China at the head of an economic mission from the Kansai region, was quoted as saying the Kansai business world spearheaded exchanges between Japan and China even before the 1972 normalization of bilateral relations.

Dunkel Rejects Call for Farm Proposals Revision

OW0804103992 Tokyo KYODO in English 1019 GMT 8 Apr 92

[Text] Tokyo, April 8 KYODO—The head of the General Agreement on Tariffs and Trade (GATT) has rejected Japan's request for him to revise his proposals aimed at settling the deadlocked farm issue in the Uruguay Round of world trade talks, the Ministry of Agriculture, Forestry, and Fisheries reported Wednesday.

The ministry said Arthur Dunkel, GATT director general, made the rejection in a meeting Wednesday with Jiro Shiwaku, Japanese vice agriculture minister for international affairs.

Shiwaku quoted Dunkel as saying he has no intention of calling a session to revise his proposals because not only Japan but other countries will seek revision, turning the meeting into an arena for endless discussions, the ministry said.

Japan is seeking a revision of the proposals in order to keep its rice market closed to imports.

The Dunkel proposals call for converting regulations on farm imports to tariffs.

Dunkel said he has not decided yet when to call a meeting of GATT's trade negotiations committee, the ministry said.

There was speculation that the committee would hold a meeting around April 19, the deadline for the conclusion of the Uruguay Round.

Celebrations Planned for Okinawa Anniversary

OW0704030892 Tokyo KYODO in English 0250 GMT 7 Apr 92

[Text] Tokyo, April 7 KYODO—The government decided Tuesday to hold a memorial ceremony in Tokyo on May 15 on the occasion of the 20th anniversary of the U.S. reversion of Okinawa to Japanese sovereignty, officials said.

Emperor Akihito, Empress Michiko and 350 guests are scheduled to attend the commemoration at the Kensei Kinenkan (the constitutional government memorial hall) near the Diet building in central Tokyo, the officials said.

U.S. Vice President Dan Quayle, former Defense Secretary Robert McNamara, and former State Secretary Henry Kissinger are also scheduled to join the ceremony to represent the United States, they said.

On May 15, Prime Minister Kiichi Miyazawa will host a luncheon for the celebration and Foreign Minister Michio Watanabe, together with director general of the Okinawa Development Agency Tomoo Ie, will host a separate reception, they added.

A private organizing committee for memorial events headed by former Prime Minister Noboru Takeshita will have a three-day seminar on the return of Okinawa and U.S.-Japan relations beginning May 13, the officials said.

NEC, U.S. Computer Firm To Build RISC Chip

OW0804085792 Tokyo KYODO in English 0829 GMT 8 Apr 92

[Text] Tokyo, April 8 KYODO—NEC [Nippon Electric Company] Corp. said Wednesday it will join with U.S.-based MIPS [expansion unknown] Computer Systems, Inc. to develop a new line of 64-bit reduced instruction set computing (RISC) microprocessor chips. RISC is a computer architecture which reduces the number of instructions in a computer operation, enabling faster and increased performance in machines. The chips are becoming popular in computer workstations.

The new "VRX chip" will be modeled on the R4000 central processing unit (CPU) developed by MIPS and feature a low power consumption of less than 2 watts at a clock speed of 40 megahertz, NEC officials said. The chip will also boast five times the cost performance compared to the current 64-bit R4000 chip and be software compatible, they said.

The agreement calls for NEC to supply semiconductor design technology and related information to MIPs, which will build the chip to NEC specifications, the officials said. NEC will receive the RISC chip manufacturing technology from MIPS and have exclusive rights to produce and market the chip worldwide for one year, they said. The Japanese computer maker plans to commercialize the new microprocessor in the fall 1993, they said.

NEC is a member of the Advanced Computing Environment (ACE) Initiative, which supports MIPS's RISC technology, and is competing with five other industry consortiums worldwide to create a common RISC standard for computers.

Russian Asks Help Employing Nuclear Engineers

OW0804094992 Tokyo KYODO in English 0935 GMT 8 Apr 92

[Text] Yokohama, April 8 KYODO—A top Russian scientist urged Japanese companies Wednesday to help fund jobs for some 200,000 nuclear submarine industry employees facing unemployment. Yevgeniy Velikhov, vice president of the Russian Academy of Sciences, sought support for a Russian Government-proposed firm that is to employ the engineers and workers whose jobs will be lost as the country's nuclear weapons industry contracts.

"We have already received inquiries from European and U.S. firms interested in capital participation," Velikhov said in a lecture to the Japan Atomic Industrial Forum, a group of nuclear energy-related businesses. "I want Japanese firms to participate in the new firm."

The firm, which Moscow has decided to set up in a northern port town on the White Sea, will explore for oil, natural gas, and other resources on the continental shelf of the Arctic Ocean, he told the annual convention of the forum's engineers and scientists.

Velikhov, visiting Japan as a lecturer at the invitation of the forum, said his country's planned "nuclear disarmament is going to cause some 200,000 nuclear submarine crew, maintenance, and manufacturing workers to lose their jobs." He said Russia now deploys some 100 nuclear submarines.

The Japan Atomic Industrial Forum is designed to promote the application of atomic power for peaceful civilian purposes.

Foreign Minister Advises Burma on Refugee Issue

OW0704090192 Tokyo KYODO in English 0812 GMT 7 Apr 92

[Text] Tokyo, April 7 KYODO—Foreign Minister Michio Watanabe has urged Myanmar [Burma] to make stronger efforts to resolve the problem of Muslims fleeing to neighboring Bangladesh, a Foreign Ministry spokesman said Tuesday.

Masamichi Hanabusa told foreign correspondents that Watanabe made the request in a letter sent to Myanmar Foreign Minister U Ohn Gyaw last Friday.

Hanabusa said Watanabe asked the Myanmar Government to make efforts "to solve the problem of the influx of refugees into Bangladesh in close contact with United Nations Undersecretary General (for Humanitarian Affairs Jan) Eliasson."

Eliasson arrived in Yangon [Rangoon] on Thursday after visiting Bangladesh to investigate the influx of over 150,000 ethnic Rohingya Muslims escaping alleged persecution by the Myanmar military.

Hanabusa said Watanabe also told U Ohn Gyaw that Myanmar should hold a high-level dialogue with Bangladesh to facilitate early resolution of the problem.

Australia Supports Tokyo Participation in PKO

OW0804113092 Tokyo KYODO in English 0947 GMT 8 Apr 92

[Text] Tokyo, April 8 KYODO—Australian Foreign and Trade Minister Gareth Evans threw "open and strong" support Wednesday behind Japanese participation in U.N. peacekeeping operations [PKO], Foreign Ministry officials said.

The officials said Evans, who arrived in Japan on Sunday for a five-day unofficial working visit, made the remarks in a meeting with Parliamentary Vice Foreign Minister Koji Kakizawa.

Meanwhile, government sources expressed irritation at Chinese Communist Party General Secretary Jiang Zemin's remarks in Tokyo on Wednesday that Japan should be mindful of its neighbors' concern in considering the overseas dispatch of the Self-Defense Forces (SDF) for peacekeeping operations.

The officials said Kakizawa told Evans about his visit to Cambodia two weeks ago, where he was briefed on the situation there by Australian Gen. John Sanderson, the top military official of the U.N. Transitional Authority in Cambodia (UNTAC).

They said Evans noted that in addition to Sanderson, UNTAC leader Yasushi Akashi, a Japanese national, is making laudable efforts to bring peace to Cambodia.

Evans, in a meeting with Prime Minister Kiichi Miyazawa on Tuesday, agreed that speedy progress on the Uruguay Round of multilateral trade talks is essential if it is to be brought to a successful conclusion within the year.

He urged Miyazawa to take an active stance on the negotiations, which he said would likely be delayed until 1993 if sufficient progress is not achieved before the U.S. presidential election.

Evans, who is in Japan to attend a private-sector conference, also relayed Australian concerns that a Japanese pledge given to U.S. President George Bush in January to make efforts to increase imports of auto components might interfere with free trade practices.

Before heading to China on Friday, Evans is also scheduled to meet in Tokyo with Foreign Minister Michio Watanabe, International Industry and Trade Minister Kozo Watanabe, and senior parliamentarians and business leaders.

Evans last visited Japan in May 1991 to attend an international conference on disarmament in Kyoto. He paid an official visit to Japan in June 1990.

Concerned About U.S. Trade Plans

OW0904020392 Tokyo KYODO in English 0148 GMT 9 Apr 92

[Text] Tokyo, April 9 KYODO—Australian Foreign Affairs and Trade Minister Gareth Evans has reiterated his government's stance of welcoming the participation of Japan in United Nations peacekeeping activities abroad, Japanese Foreign Ministry officials said.

Evans, who arrived in Japan on Sunday for a five-day unofficial working visit, told Foreign Minister Michio Watanabe late Wednesday that he supports Japan's participation in UN peacekeeping missions overseas, saying there is no reason to object to it, the officials said.

The Australian minister, however, voiced concern about Japan's pledge given to U.S. President George Bush in January to do its utmost to boost imports of U.S.-made auto parts, though he said Japan-Australia trade relations are basically sound.

Tokyo agreed in January during Bush's visit to Japan to substantially increase its targets for purchases of American cars and car parts in an effort to reduce its trade surplus with Washington.

Evans said he had reached a happy compromise on the auto parts issue in an earlier meeting with International Trade and Industry Minister Kozo Watanabe, the Foreign Ministry officials said.

The Japanese foreign minister told Evans that Japan's economy is at a crossroads, adding that Japan could fall into a long-term economic downturn without sweeping pump-priming measures, the officials said.

Receives Assurances From JAMA

OW0904060692 Tokyo KYODO in English 0550 GMT 9 Apr 92

[Text] Tokyo, April 9 KYODO—Australian Foreign Affairs and Trade Minister Gareth Evans said Thursday he has received assurances that Japanese automakers will buy foreign parts based on commercial needs, not bilateral trade agreements.

Evans told a press conference at the Australian Embassy in Tokyo that his country does not want Japan to increase purchases from the United States at Australia's expense simply to meet U.S. demands made during President George Bush's January visit to Japan.

He said Japanese Minister for International Trade and Industry Kozo Watanabe and the Japan Automobile Manufacturers Association [JAMA] both assured him of Japan's commitment to buy automobile parts "on a fully competitive and nonpreferential basis."

Australia supplied 8 percent of the Japanese automobile parts market in 1991.

During the Bush visit, Japanese automakers agreed to increase their target for importing U.S. auto parts from 9 billion dollars in 1990 to 19 billion dollars in 1994.

Evans, who arrived in Japan on Sunday, said Watanabe assured him verbally of Japan's commitment to buy parts on a commercial basis. And he said Takao Tominaga, JAMA's vice chairman and executive managing director, wrote in a letter that Japanese automakers have a basic policy "that parts are to be procured nondiscriminatedly on the basis of business considerations only."

"This suggests to me that the agreement with the U.S. is now being interpreted as a global commitment to obtain more parts outside Japan rather than just the U.S.," Evans said. "This, after all, is fully consistent with the free trade principles consistently articulated by the U.S. Government."

Evans, who is due to leave Japan on Thursday for a visit to China, said Australia will support involvement by Japan's Self-Defense Forces personnel in United Nations peacekeeping operations in Cambodia.

Referring to opposition expressed Wednesday in Tokyo by Chinese Communist Party General Secretary Jiang Zemin to Japan's participation in such operations, Evans said Australia will continue to give its "strong and clear support" for a Japanese role in UN peacekeeping operations.

"There might be emotional reasons for opposing it, but I do not think there are rational reasons," Evans said.

But he said it is important that Japan recognize continuing "emotional and psychological concern" in many Asian countries invaded or attacked by Japan during the World War II over the overseas dispatch of Japanese military forces.

"Japan could think about some changes to education to ensure the younger generation knows what happened in the past," Evans said.

German State Invites More Active Investment

OW0704090392 Tokyo KYODO in English 0818 GMT 7 Apr 92

[Text] Tokyo, April 7 KYODO—Germany's largest industrial state on Tuesday urged Japanese investors to more actively set up shop as the region bids to win an intensifying race for foreign capital before the European market unification to be completed at the end of 1992.

In an interview with KYODO News Service, Gunther Einert, minister for economic affairs of the state of North Rhine-Westphalia (NRW), said his state is rich in high-quality skilled workers who can help Japanese companies make the most competitive products in Europe.

He said the state's superior work force could be a big attraction for Japanese companies, even more attractive than the lower taxes and land prices in Britain, which has absorbed most of Japan's Europe-bound investments so far.

The state, located northwest of Germany and including such industrial cities as Dusseldorf and Cologne, accounts for a quarter of Germany's gross domestic product (GDP).

About 450 Japanese companies, mainly electrical firms, have already established bases in the state, which boasts strong performance particularly in the chemical and machinery industries.

To attract more Japanese business, NRW in January became the first German state to open an investment-promotion office in Tokyo.

Einert also emphasized that Germany, unlike the United States, has no local-content rules or other regulations that could discourage foreign investors.

He also said that Japanese investors need not worry about their entry causing trouble for local companies, and stressed the overall benefits of their presence

Tokyo, Brussels Still at Odds Over Car Exports

OW0804131392 Tokyo KYODO in English 1129 GMT 8 Apr 92

[Text] Tokyo, April 8 KYODO—Japan and the European Community (EC) have failed to overcome differences about the scale of this year's Japanese auto exports to the region, a Ministry of International Trade and Industry official said Wednesday.

The breakdown of auto trade talks in Brussels that began Monday mainly concerns different perceptions about how the region's auto demand will be affected by its slumping economy, the official said.

Japan offered to slightly cut its EC-bound car exports from last year's 1.26 million units in response to calls that Japan give the same preferential treatment to EC automakers as it recently announced for U.S. manufacturers.

Yielding to stiff U.S. pressure to do more to slim the bilateral trade gap, Japan agreed to a big boost in its purchases of American cars and car parts during U.S. President George Bush's January trip to Japan.

But Brussels, citing a likely sharp drop in regional auto demand, insisted the slash in Japanese exports to Europe be very deep, a demand Japan cannot accede given the grave impact it would cause Japanese automakers already hit by the Japan-U.S. accord.

The official said the date of the next meeting is not yet set.

Concerning auto exports beyond this year, the two sides have already agreed to freeze Japanese car shipments at 1.23 million units until the end of the century as a transition period for the EC auto sector after the market is unified next year.

From 2000, the market is to be opened fully.

Ministry Sets Up Study Group on EC Relations

OW0804130692 Tokyo KYODO in English 1112 GMT 8 Apr 92

[Text] Tokyo, April 8 KYODO—The Foreign Ministry has set up a study group for strengthening economic relations between Japan and the European Community (EC), ministry officials said Wednesday.

The group will meet about once a month, starting April 22, and compile a report by the end of the year recommending concrete measures for developing Japan-EC economic relations for the mid to long term, the officials said.

The group will be headed by Teruhiko Mano, permanent adviser to the Bank of Japan, and will include representatives of the Foreign Ministry, the Federation of Economic Organizations (Keidanren), trading companies, financial institutions, manufacturers, the mass media, and universities.

Officials said the group grew out of a joint Japan-EC declaration issued last July when then-Prime Minister Toshiki Kaifu visited the Netherlands. The declaration called on both parties to take measures to strengthen economic relations.

Foreign Ministry Comments on Peruvian Events

OW0804133092 Tokyo KYODO in English 1040 GMT 8 APR 92

[Text] Tokyo, April 8 KYODO—Japan welcomes Peruvian President Alberto Fujimori's announcement that his government will hold a plebiscite on a new constitution and convene elections within 18 months to replace the congress dissolved this week, a top Foreign Ministry official said Wednesday.

The official, who spoke on condition of anonymity, said Fujimori explained to Japanese Ambassador to Peru Nobuo Nishizaki just after the announcement that he was forced by urgent circumstances to abruptly dissolve the country's opposition-controlled congress and suspend its Constitution last Sunday.

The official said that while Japan regrets the measures resorted to by the Peruvian leader, it welcomes his stated commitment to democracy and his timetable aimed at restoring political stability.

The government, he said, will take Fujimori's remarks into account "in considering Japan's stance toward the situation in Peru."

The official was apparently alluding to the government's consideration as to whether or not to follow the United States in halting financial assistance to Peru. Japan pledged 16.5 billion yen in aid to the country when Fujimori visited here in mid-March.

"Though we can to some extent understand the background which resulted in this situation, we have been watching it with concern as some of what happened is inconsistent with democratic principles," the official said.

"But at least this timetable that has been announced clearly points toward a restoration of democracy," he said.

The officials said Nishizaki told Fujimori in their half-hour of talks that Japan cannot understand why he took such sudden measures, though it is understood they occurred against a backdrop of poverty, narcotics, and terrorism.

Fujimori said he had no other choice and explained his 10-point program aimed at modifying the Constitution, restructuring congress, reorganizing the judiciary, eliminating government corruption, and streamlining public administration.

The president said that considering he has the support of over 90 percent of the population, the measures he took should in no way be thought undemocratic. He also noted that only two members of his new cabinet are not civilians.

The official noted that a group of Japanese businessmen from the Federation of Economic Organizations (Keidanren) issued a communique during their visit to Peru calling on donor countries and international organizations not to cut off their aid to Peru, despite the "regrettable" measures taken by Fujimori.

A Foreign Ministry spokesman Tuesday called Fujimori's emergency measures a "regrettable setback" and said their abrupt announcement Sunday had taken Japan by surprise.

Spokesman Masamichi Hanabusa told reporters that in considering whether or not to withhold its aid to Peru, Japan "must first of all see how the international community reacts to the developments."

Fujimori, the son of Japanese emigrants to Peru, is the first ethnic Japanese to lead the country. His Japanese ancestry has resulted in an increased awareness of Peru in Japan, while Japanese aid to the country has increased substantially since he took office in July 1990.

Watanabe Expresses 'Regret'

OW0904035592 Tokyo KYODO in English 0343 GMT 09 Apr 92

[Text] Tokyo, April 9 KYODO—Foreign Minister Michio Watanabe on Thursday expressed strong regret over Peruvian President Alberto Fujimori's abrupt dissolution Sunday of the country's opposition-controlled parliament and suspension of its Constitution.

"Whatever his motivation was, I cannot favor his way—as if he staged a coup d'etat in defiance of the Constitution," Watanabe said at a session of the House of Councillors' Budget Committee.

Pointing out that Fujimori has promised to hold a national referendum and general elections to reconstruct the economically strapped country, Watanabe said, "I, with greatest concern, want to continue keeping my eyes on the course of the events."

Watanabe was replying to a question from Social Democratic Party Member Keigi Kajiwara.

Fujimori, who detained opposition leaders after dissolving congress and suspending the Constitution, announced Wednesday that his government will hold a plebiscite on a new constitution and convene elections within 18 months to replace the congress.

His moves drew a swift rebuke from the United States, which suspended nonhumanitarian aid to Peru. Tokyo has indicated it is not planning to cut off aid.

Fujimori, the son of Japanese immigrants to Peru, is the first person of Japanese heritage elected to lead another country.

Business Leaders Urge Political Reorganization

OW0704110792 Tokyo KYODO in English 0928 GMT 7 Apr 92

[Text] Tokyo, April 7 KYODO—Senior officials of an influential Japanese business organization called Tuesday for political reorganization and criticized the ruling Liberal Democratic Party (LDP) for a lack of enthusiasm.

The appeal was made by three deputy heads of the Japan Association of Corporate Executives (Keizai Doyukai)—Ryuzaburo Kaku, Toshiaki Yamaguchi and Yoshinari Yamashiro.

The three officials told a joint news conference that moves for political reorganization are expected to become active following the House of Councillors election this summer.

Kaku, who is chairman of Canon Inc., said it is necessary to organize a new political party which will give serious thought to Japan's future course.

He said the business community has backed up the conservative ruling party in order to prevent the communists from seizing power.

The three officials advocated formation of a new political party by young LDP members and the main opposition Social Democratic Party.

Yamaguchi, who sparked controversy in May last year by criticizing Japanese politicians for a lack of philosophy, joined Kaku in seeking the emergence of a new political force.

Yamashiro expressed the hope that Japan's largest labor organization Rengo (Japanese Trade Union Confederation) will develop into a political force to take the initiative for political reform.

Sagawa Founder Refuses To Appear Before Diet

OW0804130292 Tokyo KYODO in English 1158 GMT 8 Apr 92

[Text] Tokyo, April 8 KYODO—The founder of the scandal-ridden Sagawa Kyubin business group has refused to appear before the Diet to testify on a massive loan scandal involving his company, informed sources said Wednesday.

Kiyoshi Sagawa, chairman of the group, Japan's second-biggest trucking corporation, cited illness for refusing to testify as an unsworn witness, the sources said.

A summons of an unsworn witness is not legally binding.

Sagawa, 70, conveyed his refusal to Taro Nakamura, head of the House of Councillors Budget Committee, through his doctor by telephone, they said.

Tokyo Sagawa Kyubin Co., a key firm in the Sagawa group, is at the center of the loan scandal involving over 500 billion yen of loans and loan guarantees extended by two former company executives.

Politicians from both ruling and opposition camps have acknowledged receiving political funds from Sagawa Kyubin companies.

Party representatives agreed during backstage bargaining last week to summon Sagawa to help promote deliberations on the state budget for fiscal 1992.

The sources said Sagawa also rejected responding to a hearing at his home or answering a questionnaire in writing.

Nakamura, who talked to Sagawa's doctor for about 20 minutes, urged the doctor to submit a diagnosis.

Nakamura said he will consider how to deal with the problem after he receives the diagnosis.

Diet Enacts Fiscal 1992 Budget Bill 'Intact'

OW0904134192 Tokyo KYODO in English 1306 GMT 9 Apr 92

[Text] Tokyo, April 9 KYODO—The Japanese Diet on Thursday enacted a 72.22 trillion yen fiscal 1992 budget bill despite the House of Councillors voting down the plan earlier in the day.

The opposition-controlled upper house rejected the government's budget plan in a plenary session, forcing the two Diet chambers to convene the conference committee of both houses, which plays a coordinating role when the two houses make different decisions.

The budget was implemented intact because the ruling party-dominant House of Representatives, which has the constitutional power to override upper house decisions on budget-related bills, passed it in mid-March. The governing Liberal Democratic Party holds a stable majority in the powerful lower chamber.

This is the third consecutive time that the budget has been enacted after the two chambers failed to reach agreement on it.

The fiscal 1992 budget is up a scant 2.7 percent from the initial budget for fiscal 1991, the lowest growth in five years. But general operating expenditures, which comprise the core of the budget covering social security, education, defense, public works and other public costs, are up 4.5 percent to 38.69 trillion yen.

The government allocated some 4.55 trillion yen for defense, an increase of 3.78 percent from the initial 1991 budget, and 952.2 billion yen for official development assistance (ODA), up 7.8 percent.

The Diet approved a 5.24 trillion yen provisional budget late last month, covering the first 11 days of government finances for the new fiscal year which began April 1.

Official on Allowing Firms To Buy Own Shares

OW0704063592 Tokyo KYODO in English 0557 GMT 07 Apr 92

[Text] Tokyo, April 7 KYODO—A senior Finance Ministry official said Tuesday allowing Japanese companies to buy their own shares would be effective in promoting recovery of the slumping Japanese stock market.

Steps to ease restrictions on capital markets and to allow companies to buy their own shares were among a package of economic pump-priming measures announced by the government last week.

The present Japanese commercial code in principle prohibits such stock purchases.

Nobuhiko Matsuno, director general of the ministry's Securities Bureau, told the House of Councillors Finance Committee that Japanese companies' mass stock issues to raise capital have caused an oversupply of stocks and contributed to the stock market slump.

He said allowing companies to buy their own shares could help solve the oversupply problem.

But Matsuno admitted that such steps could invite insider trading, adding the ministry will not allow securities companies to buy their own shares as part of their large-lot investment trusts.

The ministry is reportedly moving to allow brokerages to sell such trusts.

Official: Weak Stocks Likely To Hurt Economy

OW0804111192 Tokyo KYODO in English 0955 GMT 8 Apr 92

[Text] Tokyo, April 8 KYODO—A top-ranking Finance Ministry official said Wednesday a continued decline in the stock market will significantly hurt real economic conditions, which he described as "still healthy."

However, the official, who asked not to be identified, said he thinks stock prices are approaching their bottom.

He said the benchmark Nikkei index has fallen to the same level as the 1986 recession caused by the sharp upswing of the yen.

"Economic conditions are far better now than they were during the strong-yen recession," he said.

"We have no serious supply-demand gap in the overall economy, as clearly demonstrated by the tight labor market."

But the official said the wobbly stocks are nonetheless a serious problem because they cast a pall on business sentiment and hamper corporate fund-raising activities.

The Nikkei index momentarily fell below the 17,000 line during Wednesday's trading, losing some 55 percent from a peak of 38,915 recorded at the end of 1989 and hitting its lowest level in more than five years.

The ministry official said he is bewildered by the tumble. "What is happening to the market?"

But he said the medium- to long-term outlook for the economy is by no means bleak compared with 1986, when Japanese companies faced a painful profit squeeze and management crises.

"Who is really pessimistic about the future of the Japanese economy?" He said. "If you compare now with the economy at the apex of the latest boom in 1988 or 1989, you have, of course, weak figures."

But that is not an indicator for being glum about economic health, the official said.

He said the economy is just being bedeviled by negative sentiment.

However, he was skeptical about the short-term effects of any governmental stock-boosting measures.

The relaxation of restrictions on companies owning their own stocks being considered is not aimed at propping up stocks in the short term, he said.

"That step or any others the government could take will only help the stock market in the long term," he said.

Low-Interest Loans Urged for Broadband ISDN

OW0804131792 Tokyo KYODO in English 1122 GMT 8 Apr 92

[Text] Tokyo, April 8 KYODO—An advisory panel of the Posts and Telecommunications Ministry proposed Wednesday that the government provide low-interest loans to improve the domestic telecommunications network toward the next century.

The research group on advanced broadband integrated services digital network (B-ISDN) estimated total investment in construction of the new large-capacity network at 33 trillion yen by 2015.

B-ISDN provides transmission speeds of more than 50 megabits per second, enabling high-definition television (HDTV) broadcasts, use of HDTV databases, and full-color videophones.

The construction is expected to create peripheral demand estimated at 67 trillion yen, including 27.2 trillion yen for the electric machinery industry, 8.2 trillion yen for the nonferrous metals sector, and 8.1 trillion yen for the construction industry, the panel said.

The proposed network would replace ISDN currently in service in Japan.

The network, planned as a trunk telecommunications system in the 21st century, would have 100 to 400 times the transmission capacity of ISDN.

Assuming the B-ISDN service begins in fiscal 1995, the panel's report said telecommunications carriers will post pretax losses for at least 14 years after the start of operations because of the huge investment required, with the peak yearly loss estimated at a total of 528.7 billion yen. The service is forecast to go into the black in fiscal 2009, it added.

If the necessary investment fund is to be raised entirely by bond issues, the balance of long-term debt owed by telecommunications companies will reach 5.8 trillion yen in fiscal 2013, the report said.

Total sales in the same year are estimated at 19 trillion yen, with pretax profits amounting to 677 billion yen, the report said.

The figures compare with overall sales of 5,655 billion yen and pretax profit of 414 billion yen reported by Nippon Telegraph and Telephone Corp. in fiscal 1990.

Toshiba Introduces New Laser Diodes to Market

OW0804131292 Tokyo KYODO in English 1150 GMT 8 Apr 92

[Text] Tokyo, April 8 KYODO—Toshiba Corp. introduced Wednesday three types of new red-light visible laser diodes to the Japanese and overseas markets.

Featuring high optical output power and capable of operating at high temperatures, the new products are ideal for use in a wide range of devices, including optical disk recording equipment, handheld bar-code readers, and sensors for measuring equipment, the company said.

Laser diodes are increasingly replacing helium neon gas lasers because they are smaller, lighter, more durable, and consume less power, Toshiba said.

Toshiba is a leading supplier of laser diodes.

Sharp Develops Solar Cell With High Efficiency

OW0804110992 Tokyo KYODO in English 0939 GMT 8 Apr 92

[Text] Osaka, April 8 KYODO—Sharp Corp. has developed a polycrystalline-silicon solar cell which the company claims works more efficiently in producing electricity than current cells.

The new 10 centimeter square solar cell can convert sunshine into electricity at a rate of 17.1 percent, company officials said.

Sharp's commercial 10 centimeter square solar cells convert light rays to electricity at up to about 16.4 percent efficiency, the officials said.

The cells are ideal for use in satellites as power sources and are cheaper to manufacture, the officials said.

The achievement, the result of studies made for the governmental new energy and industrial technology development organization, was arrived at by reducing the thickness of the cell, shortening distances between electrical electrodes, and lowering electrical resistance, the officials said.

North Korea

Assembly Endorses Proposal on IAEA Safeguards

SK0904102592 Pyongyang KCNA in English 1011 GMT 9 Apr 92

[Text] Pyongyang April 9 (KCNA)—The third agenda item "On the Deliberation of the Proposal for the Ratification of the Safeguards Accord Under the Nuclear Non-Proliferation Treaty" was discussed and a decision on the endorsement of "Accord Between the DPRK Government and the International Atomic Energy Agency on Application of Safeguards According to the Nuclear Non-Proliferation Treaty" was adopted at the second-day sitting of the Third Session of the Ninth Supreme People's Assembly of the DPRK held here today.

The decision reads:

Considering that the accord conforms with the DPRK Government's anti-nuclear, peace policy and it will greatly contribute to the denuclearization of the Korean peninsula and help strengthen international cooperation in the peaceful utilization of nuclear egergy,

Presupposing that any country which joined the Nuclear Non- Proliferation Treaty will not deploy nuclear weapons on the Korean peninsula nor present a nuclear threat to us, the DPRK Supreme People's Assembly endorses the proposal of the government for the ratification of "Accord Between the DPRK Government and the International Atomic Energy Agency on the Application of Safeguards According the Nuclear Non-Proliferation Treaty", after examining it.

Atomic Energy Minister Addresses SPA

SK0904104092 Pyongyang KCNA in English 1023 GMT 9 Apr 92

[Text] Pyongyang April 9 (KCNA)—Deputy Choe Hak-kun, minister of atomic energy industry, upon authorization, delivered a report at the Third Session of the Ninth Supreme People's Assembly [SPA] on the sincere efforts and principled stand of the DPRK Government for a fair solution of the problem of the nuclear safeguards accord which had been raised as one of the most acute problems in the external relations. We declare once again to the world the stand of the DPRK Government which will accept the nuclear inspection without delay according to the working procedures agreed upon with the International Atomic Energy Agency (IAEA), if the nuclear safeguards accord signed by us is examined and endorsed at this session, he said.

He stated that the stand taken by the DPRK Government toward nuclear inspection was very fair.

By the positive efforts and active measures of our Republic, he said, the safeguards accord was signd at last and a prospect opened for the solution of the problem of nuclear inspection on the principle of equity.

If the deliberation of the accord signed by us is successfully concluded at the current SPA session, we will present necessary documents and materials for nuclear inspection to the IAEA in time and open all our nuclear materials and facilities to the inspection, thus honestly fulfilling our obligations under the Nuclear Non-Proliferation Treaty, he declared, and went on:

More than once have we stated that we have no nuclear weapons and we have neither the intention nor capacity nor need to make them.

We do not want to enter into a nuclear confrontation with the neighbouring big powers and it is utterly unthinkable for us to develop nuclear weapons which may exterminate fellow-countrymen.

No one should doubt about this.

The United States should also respect our independent stand and show fidelity so that the problem of our nuclear inspection can be smoothly resolved and manifestly discharge its obligations under the Nuclear Non-Proliferation Treaty, said Deputy Choe Hak-kun.

Finance Minister Expounds on State Budget

SK0804215192 Pyongyang Korean Central Broadcasting Network in Korean 0611 GMT 8 Apr 92

[Report by Finance Minister Yun Ki-chong given on the first day of the Third Session of the Ninth Supreme People's Assembly at Mansudae Assembly Hall on 8 April entitled: "Settlement of the Execution of the DPRK State Budget for 1991 and the State Budget for 1992"—recorded]

[Text] Comrade deputies! Under today's grand circumstances in which all the people throughout the country are vigorously struggling to embroider this significant year as the most brilliant victorious year under the revolutionary banner of the chuche idea in our country's history, we will discuss the result of the execution of the last year's state budget and this year's state budget.

With the approach of our nation's most felicitous holiday, the entire country is filled with a charged political atmosphere. The entire country keeps seething with all the people's high revolutionary enthusiasm.

Greeting the 80th birthday of the respected and beloved leader Comrade Kim Il-song, who early embarked on the road of the revolution, devoted his whole life to the sacred cause of the fatherland and the people, and has thus made immortal great achievements before the times and the revolution, is the greatest glory, pride, and happiness of our people. [applause]

In hearty response to our party's call, all the working people are unanimously rising to greet the April holiday with brilliant successes in labor. They have brought into full play burning loyalty and patriotic spirit devoted to the party and the revolution, thus making innovations and performing feats at all socialist construction sites.

We should successfully implement this year's national economic plan assigned to us and should execute the state budget according to the popular masses' high revolutionary enthusiasm. Thereby, we should strengthen the country's economic strength and financial foundation. We should more vigorously demonstrate the superiority of our country's socialism centered on the popular masses.

On the authority of the government of the Republic, I will make a report on the result of the execution of the state budget for 1991 and on the state budget for 1992.

Comrade deputies!

Under our party's tested leadership, our people heroically struggled, upholding the chuche-oriented revolutionary banner and socialist banner. By so doing, they have defended the dignity of the chuche-oriented Korea and highly demonstrated an indomitable spirit. Thus, 1991 was a year of glorious victory. [applause]

The great leader Comrade Kim Il-song has taught: For our people, 1991 was a year of arduous tribulations, worthwhile struggle, and glorious victory.

Last year, under our party's leadership, in the face of difficult and complex circumstances and in the face of acute confrontation with the enemies, our people vigorously advanced the revolution and construction, thus effecting a new great victory and success. [applause]

Standing face to face with all maneuvers of the imperialists and reactionaries trying to defame the prestige of our republic and to check our forward movement, our people have struggled and more firmly united themselves around the party and the leader. They have vigorously accelerated the socialist grand march, demonstrating the heroic mettle of the people carrying out the revolution and the invincibility of the socialist cause. [applause]

At the 19th plenary session of the Sixth Central Committee of the Workers Party of Korea, to faithfully uphold our party's leadership and to reflect our people's unanimous will to consummate the chuche revolutionary cause to the end, the dear leader Comrade Kim Chong-il was highly elected the supreme commander of the Korean People's Army. This has given endless pleasure and faith to all the people. This has more firmly laid the forever fixed cornerstone of the ages to consummate the chuche revolutionary cause generation after generation. [applause]

According to the sincere efforts of the DPRK Government, the validation of the Agreement on Reconciliation, Nonaggression, and Cooperation and Exchanges Between the North and the South and the Joint Declaration on Denuclearizing the Korean Peninsula was proclaimed at the sixth round of the North-South high-level talks. Great progress in the road of achieving the cause of national reunification has been made.

The validation of the North-South agreement and the joint declaration is a momentous event that will be a milestone in promoting the country's peace and reunification. This is a victory of the Republic's consistent line for peaceful reunification and against war and nuclear weapons.

Last year, under the strong flames of a nationwide grand movement forward to defend and develop the socialist cause, a new upsurge was effected in production and construction. Thus, the might of the socialist self-reliant national economy has been further strengthened. The state budget was successfully executed. [applause]

The total amount of the state budgetary revenues last year was 37,194,840,000 won; thus, the plan was overfulfilled by 2 percent. The total amount of the state budgetary expenditures was 36,909,240,000 won; thus, 99.4 percent of the plan was executed. The total amount of the state budgetary revenues and expenditures last year increased by 4.2 percent and 3.9 percent, respectively, compared to 1990's figures.

Plants and enterprises in all fields of the national economy have vigorously waged a struggle for production and conservation and have found reserves. By so doing, they have increased internal savings.

The revenues from copper [kuri], which account for a large share in the state budgetary revenues, increased by 5.8 percent; the revenues from the state-run enterprises increased by 5.7 percent, compared to last year's figures.

The state budget last year was successfully executed, with revenues forming a 285,600,000 won surplus over expenditures, after fully meeting the vast needs for funds to strengthen the might of the country, promote the socialist economic construction, and improve the people's living standard. [applause]

Last year, provinces, cities, and counties positively launched the movement to acquire the title of exemplary county in the local budgetary system, thus increasing the revenues of local budgets. By so doing, they contributed many funds to the state after smoothly using the funds needed for developing local economies and culture and for managing them.

The successful execution of the state budget last year clearly shows the superiority of our country's socialist budgetary system, which has been constantly consolidated and developed on the basis of the independent and creative labor of the popular masses, who are masters of the state and society, and on the firm basis of the socialist self-reliant national economy.

According to the accurate financial policy of the government of the Republic, the funds of the state budget for 1991 were correctly expended efficiently by using them for financially promoting the implementation of the plan to develop the national economy, for strengthening the country's might, and for improving the people's well-being.

Last year, the state boosted the appropriations for the national economy by 4.4 percent compared to 1990, in which the state investments in capital construction were greatly increased in a bid to push ahead with the construction of major objects, which are of key importance in strengthening the productive and technological foundations of key industries, in strengthening the chuche-oriented character of our industry, and in improving the people' living standards.

Under the consistent policy of our party and the DPRK Government to give definite priority to the national economy's leading domains, the state budget last year increased the investment in the mining and power industries and railway transportation by 5.2 percent, compared to the previous year's amount. The state put great efforts into rapidly developing these domains.

Last year, the working class and builders in the mining industry brought into full play high revolutionary enthusiasm with endless loyalty to the party and the revolution. They accelerated the constructions of the existing coal mines, including the Hwapung pits in the Anju district mining complex, the Wongo pit in Soho mine, and the (Isa) pit in (Silli) mine. They improved the technology and equipment for coal mines. They vigorously constructed new coal mines. By so doing, they have further increased the capacity for coal production.

Thanks to our party's deep concern and energetic leadership, in the mining industry, the Musan mining complex has been firmly equipped with modern large-scale excavating facilities. The construction of a large-scale expansion project was completed. Thus, the Musan mining complex has been turned into a more powerful base of iron ore production.

The construction of slope pit No. 12 was promoted in the Komdok mining complex to press ahead with the development of the (?tunnel) of the complex. Its cutting and dressing capacities were further increased. Thus a proud success of momentously increasing lead and zinc production has been effected. [applause]

In addition, the construction of a crushing and screening plant in the Taehung youth mining complex and the construction of a large long-distance conveyor belt transportation line were completed. Various coal mines, such as Songnyon mine, Changnim mine, and Taebong mine, newly began operation. Thus, mineral production can be further increased.

In the power industry last year, thanks to the state's enormous investments and the devoted labor struggle of power station builders, the East Pyongyang Thermal Power Station was built and partly commissioned. The construction of the December Thermal Power Station, the Namgang Power Station, the Nyongwon Power Station, and other large power stations was promoted vigorously. Thus, many small and medium-sized hydroelectric power stations were built across the country. Accordingly, the power base of the country has been further strengthened.

Last year the DPRK Government increased the investment in railway transportion by 5.4 percent compared to previous year's figures to smoothly meet the national economy's transportation demand. The DPRK Government vigorously accelerated railway construction.

With the revolutionary enthusiasm displayed in constructing a northern district railway, the working people and youth builders in railway transportion made an innovation. By do doing, they completed the construction of approximately 80 km of electric railways in various districts, including the railway linking Tonae and Yugok. They completed the construction of a new railway linking Tongim and Songchon. They also vigorously accelerated the construction of railway roadbeds in other districts. They have advanced the work of making heavy-duty railways and modernizing railway operations. They have further strengthened the technological foundation of railways.

Last year, the DPRK Government earmarked many funds to rapidly develop the metal industry. The construction of the October 9 General Steel Works was accelerated dynamically. The equipment and production processes of the existing iron and steel works, including blast furnace No. 2 of the Kim Chaek Iron and Steel Complex, were readjusted and reinforced. The Hyesan Steel Works was newly built, increasing the production capacity of iron and steel.

Great progress has been made in developing the chemical industry, machine industry, electronics industry, automation industry, and building materials industry.

Last year, the working class and builders in the chemical industry displayed an endlessly devoted spirit and masses-oriented heroism, upholding the respected and beloved leader Comrade Kim Il-song's teaching. They performed the proud feat of successfully completing the enormous project of enlarging and modernizing the facilities of the Hungnam fertilizer complex within a short time. [applause]

The working class in the machine industry, such as at Yongsong and Taean, brought into full play the revolutionary spirit of self-reliance and fortitude. They produced numerous plant facilities, including 4,000 hp compressors, to enlarge and modernize equipment at the Hungnam fertilizer complex.

The brilliant realization of enlarging and modernizing the Hungnam fertilizer complex clearly shows the burning loyalty, high revolutionary spirit, and unfathomable creative strength and talents of our working class and working people, who have implemented without fail the militant tasks given by the party, by cherishing as their faith the revolutionary slogan, "What the party decides, we will do" and by displaying an infinitely devoted spirit and the spirit of sacrifice.

In addition, in the chemical industry, the first-stage construction of an oxygen separator work place in the 8 February vinalon complex was successfully completed. The construction of a fertilizer plant in the Sunchon vinalon complex and the construction of the Sariwon potassic fertilizer complex were vigorously accelerated. As a result, a promising future for developing a chuche-oriented chemical industry has been opened.

In the machine industry last year, the construction, modernizing, and expansion of the capacity of the machine tool industry, mining machine industry, and ship machine industry were greatly accelerated.

In the electronics and automation industries, the project of constructing the bases of electronics and automation industries, including an integrated circuit factory, was promoted. Various new electronic materials were developed, prompting great progress in the development of the electronics industry.

The modern Aeguk Color Television Assembly Plant, which was excellently built by the patriotic organization of the General Association of Korean Residents in Japan [Chongnyon] and the Japan-resident compatriots last year, will contribute greatly to our people's cultural life.

Last year, the government of the republic allocated a huge fund to developing the rural economy, carrying out the light industrial revolution, and building dwellings to have new innovations effected in these sectors. Last year, the state increased the investment in the rural economic sector 4 percent over the previous year, and placed major emphasis on increasing the fertility of the cultivated land and accelerating the technological revolution of the rural areas. Upholding our party's call and with powerful support from the entire country, all the people, and the entire army, all the agricultural working people across the country swiftly finished the soil relocation of all the corn fields before sowing seeds in spring last year and completed the soil relocation of all the rice paddies from last fall to early this year, thus successfully conducting the major nature-remaking project of improving the cultivated land across the country within a short period of time. This large-scale soil improving project opened a firm prospect to decisively increase the fertility of the cultivated land and effect a new upsurge in agricultural production. It has already begun producing the excellent effect of bringing forth good success in farming.

Last year, the first-stage project of Sohae lockgate, Ullyul, and Kwail waterways and other dry-field irrigation projects were conducted, and great successes were attained in realizing the mechanization, scientization, and green revolution of rural economy, further strengthening the material and technological base of agricultural production.

In the light industrial sector, the projects to expand capacity and modernize weaving plants and footwear plants, such as Pusong Weaving Plant, Sariwon Weaving Plant, Pyongyang Vinyl Chloride Footwear Plant, and Sinuiju Footwear Plant, were successfully conducted; the foodstuff plants, including Sakchu Foodstuff Plant, were modernized; the local industry's material bases were newly built in large numbers. This made it possible to drastically increase the production of quality consumer goods of various kinds for the people.

Last year, the government of the republic increased investment in building dwellings by 6 percent over the previous year, placing major emphasis on building more modern dwellings in the urban and rural areas. In Pyongyang, the capital of the revolution, the construction of Tongil Street was conducted victoriously. In local cities, such as Sinuiju, Anju, and Kangye, and rural areas, dwellings were built on a large scale. Upholding our party's grand idea on construction in the capital city and its militant call, the builders of the capital city and the soldiers of the People's Army who launched themselves into the construction work displayed mass heroism and bravely overcame the difficulties they encountered, effecting collective innovations every day. By so doing they completed an unprecedentedly grand construction of Tongil Street, which matches the construction of one new city, building not only the large high-rise dwellings but the harmoniously located service facilities, educational, cultural, and public health facilities, main streets, overbridges, parks, resort areas, tramway [kwedo chonchahwa kongsa], large-scale reservoirs, sewage disposal facilities, and heating and air conditioning facilities. Building 50,000 family units of excellent modern dwellings, they registered a proud exploit to the amazement of the people and brilliantly put into practice their resolutions of loyalty to the party. [applause]

Having built Tongil Street by erecting the 50,000 family unit dwellings—this is the brilliant embodiment of the grand design and benevolent measure of our party which spares no effort for the happiness and prosperity of the people. It is a great event to be recorded in the brilliant history of the socialist construction of our country, and a powerful demonstration of the might of our whole-hearted unity and the great potential of the self-reliant socialist economy. [applause]

Last year, the state budget expended a great deal of funds, an increase of 3.5 percent over the previous year, for social, cultural, and housing spending to accelerate socialist cultural construction. Our scientists, technicians, and workers who were brought up in the bosom of our party, exerting high revolutionary zeal and creative wisdom, produced many valuable technological innovation plans. In particular, they attained new research successes in the important scientific and technological fields, such as mechanical engineering, electronic engineering, and biology, and contributed greatly to realizing mechanization, automation, robotization, and computerization, thus further developing the country's science and technology.

Last year, the Government of the Republic increased expenditures for educational work by 3.9 percent, compared to the previous year. It thoroughly implemented the tasks for the socialist educational theses to further improve the quality of education.

Thanks to our party's positive measures and the state's large investments for the next generations, a grand new building was successfully constructed in Kim Chaek Technology University. In addition, many classrooms, laboratories, sports facilities, and other educational facilities were newly built at each school. Accordingly, material and technological foundations for education have been further strengthened.

Our country had only about ten technicians just after liberation. Today, there are 1.6 million intellectuals in our country. Our country has been turned into the country of learning and education, where all of the people study and struggle to realize the intellectualization of the entire society. This clearly shows the justness of our party's chuche-oriented educational policy and the matchless superiority of our country's socialist educational system. [applause]

To develop the culture, art, public health, and sports work, the state further increased the expenditures for the culture, public health, and sports work.

Last year, Turobong revolutionary historical site, where our party's immortal glorious revolutionary historical relics remain, was built. Cultural relics in various districts, which are of great importance in preserving the national cultural relics, were restored to the original state. The construction of modern cultural facilities, such as Songdowon International Boy Scout Camp and Taegwondo building, was vigorously promoted.

Our writers and artists vigorously struggled to implement our party's revolutionary literary policy. They wrote many literary works of high ideological and artistic spirit. By doing so, they have upgraded our country's chuche-oriented art to a higher level.

In the field of public health last year, according to our party's policy to protect and improve the people's health, dental branches were newly opened in all cities and counties. Preventive treatment organizations were managed well. Accordingly, free service work for the people can be further strengthened.

Last year, to guarantee the security of the socialist country and safeguard the happy life of our people, the Government of the Republic allocated 12.1 percent of the total state budgetary expenditures to defense spending.

Like this, the state budget last year was expended to strengthen the might of the country and to improve the well-being of the people. The state budget was effectively used. Accordingly, the execution of the state budget positively contributed to defending the socialist cause and to bringing into full the superiority of socialism of our own style centered on the popular masses.

Under our country's socialism centered on the popular masses, all of our people enjoy true political freedom and democratic rights as the masters of the state and society. They are provided with a happy material and cultural life.

The state provides our people with all material and cultural conditions needed for food, clothing, and shelter. All of our people have stable jobs and lead a creative working life to their hearts' content. Accordingly, they enjoy a worthwhile life.

Our socialist country's finance work has been a genuine people-minded one which financially guarantees the independent and creative life of the popular masses.

The consolidation and genuine superiority of our country's socialist finances and state budget lie precisely in the fact that the state finances are based on the creative labor of the popular masses; that it thoroughly serves the popular masses, and that it financially guarantees the people's well-being.

All successes, achieved in socialist construction and in the execution of the state budget last year, were the proud fruits borne by the great leader Comrade Kim Il-song who has brightly elucidated the future road of the revolution and construction; by our party which has energetically led our people with ever-victorious chuche-oriented strategy and tactics; and by all of the people who have vigorously struggled according to the party's wise leadership. [applause]

Comrade deputies: This year our people face the honorable task of bringing about a new upsurge in socialist construction. The people are vigorously carrying out the three revolutions—ideological, technical, and cultural—under the uplifted banner of the chuche idea.

In this year's New Year address, the great leader Comrade Kim Il-song clearly clarified the overall direction and struggle objectives of our country's current socialist construction.

The great leader Comrade Kim Il-song has taught: We should bring about a new upsurge in socialist construction with the whole party, the whole state, and all the people generally mobilized to make this meaningful year a year of the most brilliant victory in the history of our fatherland.

The state budget for 1992 has been compiled so that our people's struggle to accelerate socialist economic construction to bring about a great new revolutionary upsurge and strengthen the might of the nation can be smoothly financially guaranteed by highly upholding the militant task put forth by the great leader Comrade Kim Il-song and through our party's appeal.

The revenues and the expenditures of the state budget for 1992 are set at 39,500,920,000 won each, or 6.2 percent higher in revenue and 7 percent higher in expenditure than last year.

The revenues for this year's state budget will be firmly guaranteed because of the creative labor struggle of all the workers who are vigorously working to bring about a new upsurge in socialist construction, and because of an increase in production and an increase in domestic savings in the national economy which is in conformity with the firm basis of the socialist, self-reliant national economy.

According to the party's line and policy, the Republic's Government will correctly distribute and utilize the state budget fund for this year to successfully fulfill the task of socialist economic construction and cultural construction and further enhance the people's living standard.

The consistent policy which our party and the DPRK Government is adhering to in state budget expenditures is to guarantee expenditures for the national economy first.

This year, the state will increase expenditures for the national economy by 6.5 percent over last year and will largely increase the investments in capital construction for the state such as industrial construction and housing construction to strengthen the might of chuche industry and more satisfactorily solve the problem of food, clothing, and housing for the people.

Increasing the production of electricity and coal and rapidly developing railway transport are the most important tasks facing socialist economic construction for this year. The state budget this year will allocate much of the capital construction funds, or 5 percent more than last year to power and coal industries and railway transport to make them definitely lead other domains.

In the power industry, the existing power stations will be run to full capacity to produce more electricity, the on-going construction of large-scale hydroelectric and thermal power stations such as the Namgang power station, the Nyongwon power station, the December thermal power station, and the Haeju thermal power station will be continuously pushed forward, and small and medium-sized hydroelectric power stations will be built in areas including Yanggang Province, Chagang Province, and South Hamgyong Province where there are many rivers and streams on a large scale so as to radically increase the generating capacity.

In the coal industry sector, coal production can be lifted onto a even higher level by strengthening the survey of resourceful existing mines and new mines; providing more mountains of coal by firmly emphasizing digging and stripping; enhancing the mechanization level of mining work; and accelerating construction of new pits and mines.

In the railway transport sector, heavy-duty track will be laid and the production of eight-axle electric locomotives and 100-ton freight wagons will be increased to accelerate heavy-duty railway tracks. The electrified railway section will be expanded and construction of new railways including the railway construction between Namdong and Onchon which already finished its roadbed construction will be vigorously pushed forward, thus greatly increasing railway transport capacity.

Along with this, to lessen the burden of railways and smoothly supply the increasing transport demand, the transport of trucks and ships must be increased; and the joint transport of railways, trucks, and ships must be strengthened. Also in various sectors of the national economy, transport via pipes, cableway, and conveyer must be widely accepted.

This year, the power and coal industries and railway transport workers and the rest of the workers must manifest infinite devotion, creativity, and initiative with high dignity and revolutionary awareness of being and bring them to the forefront of the great socialist march. They must also bring about a new innovation in this sector so that an upsurge in production can be achieved in all sectors of socialist construction. [applause]

This year, the Republic's Government will transfer more funds to further develop the mining, metal, and machine industries. This year the mining industry will continue to direct major efforts to the Musan mining complex and the Komdok mining complex and promote the expansion of the existing mines, including the 5 March youth mine, and the development of new mines so as to rapidly increase the production of various minerals, including iron ore and nonferrous metals.

The metal industry sector will concentrate efforts on readjusting and reinforcing the iron and steel works, strengthening the chuche character of this industry, increasing the production of iron and steel materials, and dynamically promoting the construction of the 9 October general steel works. By utilizing the existing production capability of the machine plants, the machine industry sector will direct efforts to increasing the production of machines and equipment, such as machine tools, mining machines, and farming machines, improving their quality, and satisfactorily supplying the equipment for major construction projects.

Realizing our people's centuries-long desire for all of them to eat rice and meat soup, wear silk clothes, and live in tile-roofed houses is an important goal which we must immediately achieve in socialist construction. To further satisfactorily solve the people's centuries-long problem, this year the DPRK Government will continue to direct major efforts to developing the rural economy and light industry and to building many modern houses.

The great leader Comrade Kim Il-song chose this year as a year of bumper crops and took important measures to strengthen the material and technical basis in the rural economy and further increase agricultural production by thoroughly fulfilling the policy of putting greater efforts into agriculture. [applause]

To bring about a new upsurge in this year's agricultural production, the state plans to increase the investment in agriculture this year 4.5 percent above last year's amount. In this year's rural economy sector, major efforts will be directed to the irrigation of nonpaddy fields to complete even more fully agricultural irrigation. Raising the level of the use of chemical fertilizers and agricultural chemicals in agriculture and improving the method of applying fertilizers will enhance the scientific level of agriculture. Also by sending larger quantities of tractors and farm machines to the countryside, the mechanization of agriculture will be further accelerated.

Along with this, we must consolidate results achieved in relocating soil in all rice and dry paddies and continue to strengthen the struggle to enhance soil fertility of cultivated land. Also, we will actively carry out the tideland reclamation work to increase cultivated land.

With the entire nation's strong help, our agricultural workers must manifest high revolutionary enthusiasm to achieve momentous progress in fulfilling the task of the rural technological revolution. Also by doing all farm work in a scientific and technical way by thoroughly fulfilling the chuche farming method, all sectors of agricultural production, including food grain crops, vegetables, fruits, and livestock, will be firmly lifted onto a new high stage.

In the light-industry sector, by thoroughly fulfilling our party's light-industry revolutionary policy, we will utilize to the utmost the production capacities of the existing centrally controlled light industry bases and local industrial facilities; actively realize the modernization of the production facilities to produce more work sites and work teams in plants and enterprises of various sectors of the national economy; and vigorously wage the 3 August consumer goods production drive to markedly increase the production of fine quality consumer goods of daily necessities, including clothess and shoes and foodstuff.

To satisfactorily supply various chemical products, including chemical fertilizers and synthetic fibers needed in developing agriculture and light industry, the DPRK Government will direct efforts to normalizing production at a high level in the existing chemical plants, will further expand and strengthen scientific industrial bases, including the technological improvement and construction for the modernization of the 8 February vinalon complex, and will continue to vigorously promote construction for modernization.

This year the state will undertake a grand campaign to build new modern houses for 20,000 families in Pyongyang and build many houses in local cities and villages. Under the party's leadership this year, we will brilliantly realize the militant goals set before the agricultural and light industry sectors and the high goal of building houses. By doing so, a new advance will be made in the struggle to satisfactorily solve the people's problem of food, clothes, and housing, and our people's desire to eat well, wear good clothes, and live in a big house will become a brilliant reality in the near future. [applause]

Properly carrying out the cultural revolution is the revolutionary task to ensure our people's sound and rich socialist cultural life at a higher level and is of extreme significance in achieving the victory of the socialist cause.

This year the DPRK will increase funding for social and cultural work and additional work by 11.6 percent over last year to further develop all sectors of socialist cultural construction and to carry out people-oriented policies. The state will successfully carry out the Three-Year Plan for Scientific and Technological Development by sharply increasing funding for scientific and educational work and by further strengthening the material and technological foundation of scientific and educational organs. The state will also improve the quality of education this year, the year marking the 15th anniversary of the publication of the Theses on Socialist Education, so as to make great progress in the next generation of national cadres education and training.

This year the DPRK will also send a large amount of educational aid and endowments to the Korean children in Japan for their democratic and national education. The DPRK has sent, on 119 occasions, a colossal amount of educational aid and endowments amounting to 41,090,000,000 yen by the end of last year in response to the respected and beloved leader Comrade Kim Il-song's fatherly love and great care for our children growing up overseas.

The benevolent love and care that the great leader bestows for the childrens's education of Korean compatriots in Japan again this year will greatly encourage the Korean compatriots in Japan who are devotedly struggling for the development of Chongnyon's democratic national education. The love and care will also encourage the grandeur and prosperity of the socialist fatherland. [applause]

This year the state will increase cultural work funds, public health work, and sports work so as to brilliantly glorify chuche-oriented literature and art and to further develop public health work and sports work for the people.

Constantly strengthening the country's economic might by building a self-reliant socialist national economy and, based on this, enforcing various people-oriented policies and measures to systematically improve the people's material and cultural life is precisely the consistent policy of our party and the DPRK.

As new successes have been achieved in socialist construction and the country's economic might has been further strengthened, our party and the DPRK have enforced this year the momentous measure of sharply raising the wages of all workers, technicians, and office workers; further increasing the incomes of cooperative farmers; and bestowing more benefits upon the people from the state. [applause]

According to this measure provided by our party and the DPRK, the wages of workers, technicians, and office workers will average a 43.4 percent increase, the social security pension of social security pension beneficiaries will average a 50.7 percent increase, and the endowmnents for students of all schools will average a 33.0 percent increase. The state procurement prices for rice will increase by 26.2 percent and for corn by 44.8 percent, and the procurement prices for other agricultural products will also increase.

This proud measure which is unprecedented in its breadth and scale is not only a benevolent measure provided by our party's energetic leadership, but is also a solid and viable people-oriented measure, the material and financial foundation of which has been guaranteed by the proud achievements gained in our great socialist construction. [applause]

Our party has seen to it that the construction of major plants which are of epochal significance in strengthening the country's economic might and improving the people's living standard is vigorously waged. Based on this, our party set forth a clear goal for enforcing a people-oriented measure and has pushed ahead with preparations for the measure with foresight.

Thanks to our wise party leadership, great successes have been registered in the great socialist construction. As a result, numerous monumental edifices have been built everywhere in the country, the material and technological foundation of socialism has been further strengthened, and chemical industry bases and light industry bases in particular have been expanded and strengthened. Thus, our socialist self-reliant national economy has been able to demonstrate greater might in improving the people's living standard and, based on this, has made it possible to enforce the historic, people-oriented measure at this time.

The Republic's Government, while allocating a huge portion of the state budget to increasing the living standards of the working people and the state procurement prices of agricultural products, will allocate this year a colossal amount of funds so that our people can enjoy free education, free medical treatment, social security, and various other benefits.

This year, the Republic's Government envisions allocating 11.6 percent of the total state budgetary expenditures to firmly defend the gains of the revolution and to safeguard the socialist fatherland and people's security.

In this way, the state budget for 1992, which is submitted for deliberation in the current SPA session, is a budget of the popular masses-centered socialism of our own style which is relying on the voluntary zeal and creative ingenuity of our working masses of people, while giving priority to the demands and interests of the working masses of people. It is also an independent and solid chuche-oriented budget which smoothly guarantees with finances the accomplishment of the vast tasks of socialist construction in reliance on the firm foundation of the independent socialist national economy. [applause]

Comrade deputies: Successfully executing the state budget for this year is an honorable and rewarding task to exalt our socialist system's superiority and to vigorously accelerate socialist construction.

The great leader Comrade Kim Il-song has taught: All the people should vigorously wage a great advance movement to bring about a new turn in socialist construction by displaying lofty revolution-mindedness and mass heroism.

To successfully execute the state budget for this year and to effect a new upsurge in socialist construction it is imperative to vigorously wage the struggle for more firmly establishing chuche in all fields by accelerating the three revolutions—ideological, technological, and cultural. Strengthening the people's government and vigorously waging the three revolutions—ideological, technological, and cultural—are the general line of our party in socialist, communist construction. [applause]

Our party's three revolutions line elucidates a straight road for the accomplishment of the popular masses' cause of independence. Only when we vigorously wage the three revolutions can we establish chuche in all fields—political, economc, and cultural—and all the people firmly rally around the party and the leader and defend and consummate to the end the socialist cause under any difficult circumstance.

We should firmly grasp our party's general line in socialist construction, should vigorously wage the three revolutions—ideological, technological, and cultural, and, thus, should more thoroughly estabish chuche in all sectors of social life under the slogan, "Let us live our own way." We should first of all firmly adhere to the principle of giving priority to the ideological revolution and should firmly arm the popular masses with the great ideology of our party, the chuche idea. Thus, we should thoroughly establish chuche in ideology.

By holding aloft the banner of the ideological revolution we should firmly arm all the people with a chuche-oriented revolutionary world view. In this way, we should more properly prepare them to become communist revolutionaries of the chuche type and lead them to the responsibility and role of masters of the revolution and construction.

By vigorously waging the technological and cultural revolutions, while giving priority to the ideological revolution, we should build the economy and culture according to the demands of the chuche idea and effect a constant upsurge in all fields of socialist construction. To successfully fulfill the militant tasks of socialist construction assigned to us, it is imperative to highly display the revolutionary spirit of self-reliance and to vigorously wage the struggle for production increase and conservation.

Today's situation and the reality of our country's socialist construction demand that we display higher than ever before the revolutionary spirit of self-reliance. "Let us display higher the revolutionary spirit" is the most important militant slogan of our party. The basic key to successfully implementing the vast task of economic construction and to accelerating socialist construction lies precisely in highly displaying the revolutionary spirit of self-reliance and fortitude.

The great leader Comrade Kim Il-song, since the first period of his embarkment on the revolutionary road early on, has victoriously pioneered the road of the Korean revolution under the revolutionary slogan of self-reliance. In every difficult period of the revolution and construction, the great leader has surmounted all difficulties by organizing and mobilizing the popular masses under this slogan. Thus, the great leader has led our people to achieve new victory.

Upholding our party's traditional revolutionary slogan, the slogan of self-reliance, which has been consistently maintained in the protracted, arduous revolutionary struggle, the guidance functionaries and working people of all sectors and units should courageously brave difficulties and tribulations on their own, thereby effecting an uninterrupted upsurge in socialist construction.

The revolutionary spirit of self-reliance should be expressed in a practical struggle of finding inner reserves to the fullest extent and producing more and building more through conservation.

Conserving and producing more is a major principle of socialist economic construction as well as a basic way to develop production, consolidate the economic foundation, and successfully execute the state budget by increasing the financial sources.

The greatest reserve for producing more and conserving at present is in effectively utilizing the economic foundation already in place and in normalizing the production at a high level in all domains.

We should see to it that all plants and enterprises are fully operated, with full priority given to the leading sectors of the national economy, by smoothly guaranteeing raw materials, fuel, energy, and transportation, and by decisively strengthening the work of repairing and maintaining the equipment.

All the domains and units of the national economy should vigorously stage a struggle to put every piece of production equipment into full operation and to completely utilize the production capacity already in existence by actively mobilizing and utilizing all kinds of hidden reserves and potentials and by solving in a revolutionary and militant way the problems arising in production with their own strength.

All our functionaries should reject all manner of wasteful phenomena and useless formalities and vanity, extremely conserve even a man-hour's worth of labor, even a watt's worth of electricity, even a gram of coal and crude oil, and even a block of material, by establishing a strict conservation system, increasing the productive efficiency of labor, lowering the standard of material consumption and the cost of products, and producing more and building more by economizing in everything.

To mark a new upsurge in socialist construction, it is imperative to completely implement the great Taean work system.

The Taean work system is a chuche-oriented form of economic management that implements the mass lines and runs and manages the economy scientifically and reasonably under the chuche-oriented guidance of the party committee.

Indeed, the Taean work system is an economic management system centered on the popular masses in which the popular masses are the genuine masters.

Today, the great Taean work system has become a powerful driving force behind the great socialist march movement as well a powerful weapon that consolidates and develops the socialist system of our country without interruption.

We should actively struggle to completely defend and safeguard the great Taean work system and to give full play to its superiority and vitality.

All the domains and units of the national economy should successfully solve problems arising in economic management by eliminating the individual's subjective opinions and self- righteousness and by giving full play to the producing masses's revolutionary zeal and creative resourcefulness, all by strengthening the chuche-oriented guidance of the party committee.

To completely implement the Taean work system, it is imperative to preplan and supervise the economic organizational work and manage enterprises scientifically and reasonably.

All the economic guidance functionaries at all domains of the national economy should completely realize the unified and specified planning, organize the production scientifically and technically; correctly organize the work of supplying materials and cooperative production;

establish even more order in labor management, equipment management, and material management; and do a good job of commanding in production.

At the same time, economic guiding functionaries in all sectors should firmly give priority to developing science and technology and should conduct economic organization work responsibly with initiative under the principle of promoting the quality of products and guaranteeing economic efficacy at the highest level on the basis of scientific calculation.

Improving financial management work and strengthening the financial foundation are important demands to successfully execute the state budget for this year. Socialist finances should be managed in a monolithic and planned manner in conformity with the inherent demands of socialist society. Managing finances in a monolithic and planned manner in conformity with the inherent collectivist nature of socialist society is an important principle of socialist financial management. Without such a principle, socialist finances cannot fulfill the mission and role as the people's finances.

All sectors of the national economy should more thoroughly establish a financial management order by abiding by the monolithic financial management system, controlling all state funds in a unified manner, raising funds according to the state's laws, regulations, and planning standard, and using them reasonably.

In firmly guaranteeing the state's unified and planned guidance and control in financial management, we should see to it that plants, enterprises, and local areas carry out financial management responsibly and creatively so as to give more profits to the state and to earnestly manage the economic activity of their respective unit.

Plants and enterprises are the basic unit in which the country's financial resources are created and utilized. Therefore, only when plants and enterprises properly conduct financial management work can the country's overall financial work be properly conducted. All sectors of the national economy should improve management activity by planning and coordinating financial management work at plants and enterprises and should increase incomes and give more profits to the state by correctly enforcing the independent economic accounting system.

By exercising high responsibility and initiative and giving full play to the superiority and vitality of the local budget system, all local government organs and administrative and economic organs should assiduously manage local economies and, thus, should further promote the people's living.

Upholding the WPK's leadership loyally and struggling in firm unity with our party are a decisive guarantee to successfully perform the vast tasks ahead of us.

Single-minded unity is the source of all our victories. It is precisely our people's proud tradition to have been victorious while overcoming all sorts of difficulties and trials with single-minded unity. [applause]

We should be endlessly faithful to the leadership of the WPK, which is the organizer and guide of all our people's victories, firmly consolidate the political and ideological unity of the whole society centered on our party, and further strengthen the main force of our revolution, and all the people should heroically struggle according to the party's appeal. By so doing, we should highly demonstrate the honor of winners again in socialist construction this year. [applause]

Our people—who are vigorously advancing along the single road of victory elucidated by the great WPK, full of faith and optimism—are invincible. [applause]

Let us all vigorously fight to expedite the victory of the socialist cause and the independent and peaceful reunification of the fatherland by highly upholding the banner of the chuche idea, the banner of socialism, in firm unity with the WPK Central Committee headed by the respected and beloved Comrade Kim Il-song. [applause]

Yon Hyong-muk Article Praises Kim Il-song

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[NODONG SINMUN 25 March special article by Yon Hyong-muk, DPRK State Administration Council premier: "Respected and Beloved Leader Comrade Kim Il-song Is a Revolutionary Genius Leading the Socialist Cause to Victory With Great Ideology and Strategy"]

[Text] In our country today, the task of the times, which is to defend and advance the socialist cause under the wise leadership of the party and the leader, is being brilliantly solved. Our socialism is victoriously advancing without faltering in the face of the intensified offensive of the imperialists and reactionaries. The socialism of our own type, which has taken deep root in this land, is the precious revolutionary gain achieved by the respected and beloved leader Comrade Kim Il-song's great ideology and strategy.

The boundless pride of holding the great leader in high esteem and upholding the great party's leadership and the firm faith in the invincibility of the socialist cause are precisely the noble national spirit that our people have cherished through their practical experiences in the course of their struggle for socialism.

1. The History of the Respected and Beloved Leader Comrade Kim Il-song's Revolutionary Activity Is the Chronicle of Glorious Struggle and Victory To Pioneer and Advance the Socialist Cause With a Great Ideology and Strategy.

Comrade Kim Chong-il, member of the Presidium of the Political Bureau of the Central Committee of the Workers Party of Korea [WPK] and secretary of the party Central Committee, has indicated: The respected and beloved leader Comrade Kim Il-song is the great thinker and theorist who founded the immortal chuche idea and is the great statesman who is wisely leading our people along the untrodden path to socialism and communism under the difficult and complicated circumstances of directly confronting the U.S. imperialists.

The respected and beloved leader Comrade Kim Il-song is the great leader who pioneered the socialist cause of chuche for the first time. He is also an authoritative veteran leader of the communist movement. The socialist cause is a sacred cause to realize the popular masses' independence. This cause—which presupposes not only the serious social transformation of liquidating all sorts of filth in history that had been left for several thousand years, but is also an acute struggle against the imperialists—can be pioneered and victoriously advanced only by the leader's correct ideology and his tactical and strategic leadership.

The leader [suryong] plays a decisive role in the working class' struggle for liberation and in the development of the revolutionary ideology. Therefore, the history of the socialist cause is closely linked with the names of the outstanding leaders of the working class.

The respected and beloved leader Comrade Kim Il-song has led the socialist cause to victory in many phases of the revolution for a long time, ever since he pioneered a new path for the communist movement and the struggle for national liberation in our country.

Achieving national and social liberation in a colonial and semifeudal society and, thus, advancing toward socialism and expediting the complete victory of socialism by accelerating socialist construction are the cause representing one era of history. In our country, such a cause was an unprecedentedly arduous struggle that not only pioneered an untrodden path while confronting the powerful imperialist enemies from the beginning, but also advanced on the empty land where everything was destroyed by the war.

The respected and beloved leader created the brilliant history of the victory of socialism with his excellent ideology and strategy, taking upon himself the heavy responsibility for this cause. The course of the revolutionary activities of the respected and beloved leader is shining as a glorious and brilliant history because of the greatness of the exploits that he performed in the protracted struggle for socialism.

The greatness of the respected and beloved leader Comrade Kim Il-song as the pioneer and leader [yongdoja] of the socialist cause is precisely because he has expounded unique ideology and strategies and opened the genuine path for accomplishing the socialist cause by thoroughly embodying this ideology and these strategies.

The struggle for socialism is carried out under different conditions of the times and amid various, specific realities. Therefore, each country should have a correct guiding ideology, strategy, and tactic suitable for its reality and should correctly embody them. This is the basic problem affecting the destiny of the entire course of pioneering, advancing, and consummating the socialist cause.

With resolute determination to save the fate of the fatherland and nation, which was in great difficulty because of the Japanese imperialists' colonial fascist rule, the great leader formed the Down-With-Imperialism Union by moving along the revolutionary road. This was a historical event which opened the beginning of a true socialist, communist cause in our country.

The guiding ideology of the Down-With-Imperialism Union is a correct guiding principle of socialist, communist construction. Its rank is the original form of our communist revolutionary rank. Also, its program became a great strategic goal of the communist cause. Therefore, from the very first, the root of our country's socialist cause was provided according to the plan and strategy of the respected and beloved leader and the revolutionary rank fostered by the leader.

The creation of the chuche idea by the great leader Comrade Kim Il-song was a brilliant achievement in the task of the history of man to solve the problem of a new revolutionary ideology which reflects the demands of history's new era and the independent intention of the working masses.

The chuche idea was put forth by the respected and beloved leader based on analyzing and summing up the popular masses' independent demand and the historical experiences and lessons of the revolutionary movement. This is a great revolutionary theory which leads the independent cause and the socialist, communist cause to victory.

The chuche idea sets out the fundamental revolutionary principle that the popular masses are the masters of the revolution and construction and that the popular masses are also the source of the strength that propels the revolution and construction, as well as the strategy and tactics of the revolution aimed at raising the position and role of the popular masses in the revolutionary struggle and construction work.

Since socialism is a lofty ideology that has embodied the essential nature of social beings and the popular masses' longstanding wishes, it can become triumphant only when it is guided by the chuche idea, the completely revolutionary ideology that most resolutely defends and realizes the independence of the working masses, including the working class.

Because it has fully systematized and integrated the ways to realize independence by putting man's independence at the center, the chuche idea has become the immortal banner of making man the genuine master of the world and destiny and of ensuring lasting happiness and prosperity for mankind.

It was thanks to the chuche idea and chuche-oriented strategy that our people were able to explore their unique path to socialism, build a tower of successful socialism, and brilliantly blaze the untrodden road of socialist, communist construction.

The great leader has also led the socialist revolution successfully in our country by setting forth anew the process of social development, not from the standpoint of viewing it as a process of natural history based on material conditions but from the standpoint of regarding it as resulting from the demand and power of the popular masses, its driving force.

With the chuche-oriented revolutionary forces, it is possible to carry out the socialist revolution without difficulty, even if production capacity is less developed.

With the great leader brilliantly realizing the cause of the socialist remolding of production relations in urban and rural communities, our socialism has come to stand on a firm sociopolitical foundation.

The establishment of a socialist system alone does not push ahead with socialist construction or lay the socialist material and technical foundation. Socialist construction requires the establishment of work systems and methods capable of running and managing society in conformity with socialist principles and a new ideology, theories, and strategy designed to resolve an assortment of practical problems, including the need to uplift the awareness and ability of the popular masses, the master of the government and production means.

The great leader, basing himself on the chuche idea, has constantly directed his attention mainly to quickly raising the level of the popular masses' ideology and awareness and their cultural level based on the standpoint that the crucial factor of determining the development of a socialist society and its fate is none other than the popular masses armed with the socialist ideology, and to seeing to that they play their role.

This was a wise leadership which has created a firm driving force, the most powerful propelling force behind socialism.

It was because of the respected and beloved leader's chuche-oriented ideas and strategic and tactical leadership that the cause of socialist industrialization was successfully carried out in a short time historically and the socialist construction as a whole was carried out quickly, arriving at a point where the complete victory of socialism was in sight.

Our revolutionary practice has proved that when we have a firm driving force behind the revolution, we can ably overcome any kind of obstacles and difficulties encountered on the road along which we advance, no matter what obstructions the imperialists may throw on our advancing path; give full play to the superiority of socialism; and vigorously push ahead with socialist construction.

The greatness of the respected and beloved leader Comrade Kim Il-song as the pioneer and leader of the socialist cause lies in the fact that with his outstanding ideas and strategy he has resolutely defended the socialist cause while braving all kinds of difficulties.

In their march toward socialism, the people have encountered grave difficulties and unexpected developments. The future of socialism and the fate of mankind depended on how to overcome and break through all kinds of difficulties the socialist movement might encounter.

At the end of World War II, when the people harbored illusions about U.S. imperialism and were apprehensive about them—to the extent that the very thought of standing up to them was beyond their imagination—the great leader Comrade Kim Il-song, taking the revolutionary stand that the socialist cause can be defended and advanced only in the struggle against the imperialists headed by the U.S. imperialists, raised high the banner of anti-imperialist and anti-U.S. struggle.

At a time when the U.S. imperialists attempted their tyrannical interference in the socialist countries, with the spearhead of their offensive directed at them, and at a time when they maliciously maneuvered to divide the communist movement, the respected and beloved leader put forward outstanding measures and strategies designed to check and frustrate their moves and resolutely struggled, thereby defending the socialist cause firmly.

Based on his prodigious insight into the reactionary nature of the imperialists' antisocialist maneuvers, which have become more vicious and crafty, and based on the general facts about them, the great leader clearly elucidated the inevitable victory of the socialist cause and directed the course it should follow.

The respected and beloved leader's clear-cut explanation that the frustration experienced by socialism in some countries is only a whirlpool in history, partial and temporary in the basic stream of mankind advancing toward socialism; and that we should vigorously advance along the road of independence with faith in socialism, viewing the process of changes in the situation not pessimistically but optimistically was a great declaration that has illuminated the road along which we can advance toward socialism.

The respected and beloved leader has made it possible to defend socialism and vigorously demonstrate the superiority and vitality of socialism of our own style, proving the justness of the socialist cause through his expulsion of the unprecedented offensive of the imperialists and reactionaries by guiding our party and people.

The fair public opinion of the world community is now analyzing and assessing the current state of the socialist movement as elucidated by the respected and beloved leader, while the people involved in the revolution march forward out of faith and courage, joining in the movement for socialist reconstruction with a high degree of their awakening.

This is a clear testimony to the fact that the chuche-oriented idea and strategy not only seizes the people's hearts, but also vigorously propels the forward-looking movement of the times.

History is the eyewitness of the changing times and a fair recorder of them. History and today's realities clearly show how the difficulties and tribulations that faced the socialist cause and the international communist movement were turned into a phase of great victory and how the bright future of socialism is being opened.

No force on earth can rock the absolute trust in the great leader and faith in socialism that has been cultivated in the hearts of our people while they explore and advance the socialist cause with the respected and beloved leader Comrade Kim Il-song upheld at its head.

2. The Greatness of the Respected and Beloved Leader Comrade Kim Il-song as the Outstanding Revolutionary Strategist Has Been Fully Demonstrated in His Profound Ideological and Theoretical Activities and Practice.

What is as precious as life itself in the socialist cause that is to be realized by the working people's goal-oriented struggle is the ideology and strategy. This is to be provided and embodied by the great leader's ideological and theoretical activities and their practical activities.

The respected and beloved leader Comrade Kim Il-song has founded the guiding idea of our era and ever-victorious strategy and developed and enriched them with great ideological and theoretical activities and practice unknown in history and thus clearly indicated the road ahead of the times and mankind. This serves as a guiding compass for victory in the people's struggle for independence.

The revolutionary activities by the respected and beloved leader, as a great ideologist and theorist and strategist, are above all based on boundless faithfulness to the popular masses and the socialist cause.

Faithfulness to the popular masses' cause of independence is a basic source that guarantees the greatness of the leader of the working class and the wisdom of the leader's ideas. The great ideas and theories, which scientifically generalize the popular masses' demand for independence and their interests and unite them as one, and the great strategy, which enhances the popular masses' active functions and roles in every way, come from his fervent love for the people and boundless faithfulness to the cause of independence.

The respected and beloved leader Comrade Kim Il-song's lifelong cause is a cause for the people, and faithfully serving the people to the end is the leader's firm intent.

The respected and beloved leader is always among the working people, including workers and peasants, and all of his thinking and practical activities are aimed at achieving the popular masses' independence and fulfilling their fate.

All of the great leader's activities to examine and embody new ideas and strategies are tremendously sublime, linked to the popular masses' interests and to the goal of achieving the popular masses' independence. They are also constant activities that cover all spheres of the popular masses' ideal and desire to become masters in the world and of their destinies. They are also very passionate activities filled with his ardent love with which he considers the people most valuable and with which he works for the people.

Therefore, the great leader's activities are a brilliant example to ideological theorists and strategists who are carrying out activities to protect and promote the working popular masses' interests, and all the ideas and strategies presented by the leader are brilliant as the holy banners of human liberalization.

The revolutionary activities by the respected and beloved leader, as a great ideologist and theorist and strategist, are consistently filled with creativity and a high independent spirit.

Comrade Kim Chong-il, member of the Presidium of the WPK Central Committee Political Bureau and secretary of the WPK Central Committee, has pointed out:

No matter how circumstances and conditions may change in carrying out the revolution, the basic requirement of the working popular masses, including the working class, for completely achieving their independence and their revolutionary stand cannot change. The problem is how to thoroughly protect the working class' revolutionary stand and creatively develop revolutionary theories and methods in step with the new historic demand under the changed circumstances.

The environment for the socialist movement constantly changes and develops. The working class party should assume a working class- oriented revolutionary and independent stand and highly display creativity under any circumstances. This is a basic demand that is presented by the intrinsic nature of theories on the socialist movement and the working class' revolution.

The respected and beloved leader Comrade Kim Il-song is the thorough protector of the independent stand and a genius of creations.

What the respected and beloved leader considers to be a stepping stone in researching ideas and strategies is a chuche-oriented method for solving all problems with man as the center and based on man's position and roles.

Presenting any scientific and theoretical problem or strategic and tactical problem thoroughly based on the demand of the practical revolution in our country and practical reality, and solving those problems anew based not on existing theories or formulas but on his own views and creative thinking is a principle to which the respected and beloved leader firmly adheres.

Disregarding reality in one's own country but trying to imitate existing propositions and formulas that have no vitality was what the respected and beloved leader disapproved of most. Toadyism, dogmatism, and imitation are like death. The correct method for solving all the problems raised in the course of socialist construction lies in ideas, lines, strategies, and tactics that one has found as a result of one's own thinking.

The great leader has led one to accept even the revolutionary ideas of the working class or other people's experiences after taking the practical situation in our county into consideration. As a result, reality in our country is reflected in our party's ideas and theories, strategies, and tactics, and they are filled with the Korean people's characteristics and spirit.

As a result of his own energetic research, the great leader has created his own ideas, theories, and struggle strategies for socialism.

The ideology, theory, and strategic and tactical problems which elucidate the path of struggle for socialism, including the chuche-oriented world view, the revolutionary theory and leadership method based on it, the goal of the revolutionary struggle, the organization of the revolutionary forces, and the choice of the form and chance of the revolutionary struggle, are not only new and unique in content, but are also perfect and monolithic in their systems. The achievments of the great leader who has provided the ideological, theoretical, strategic, and tactical assets to advance and consummate the socialist cause of our times by displaying his lofty spirit of inquiry and creative ability will further shine with the advance of the revolution.

What is consistently woven into the revolutionary activity of the respected and beloved leader—who is the great ideologist, theorist, and strategist—is also the character of resolute principle. The socialist cause is distinguished from other social movements because of its character of revolutionary principle, and it pioneers its future path based on the correctness and vitality of the revolutionary principle.

In the course of building socialism the circumstances and conditions of the revolutionary struggle change. Accordingly, the revolutionary struggle should develop its line and strategy to meet such changes. However, the revolutionary struggle should not be against the revolutionary principle, that is, the socialist principle, under any circumstances. The consistent character of principle is like the lifeline of socialism.

Adhering to the revolutionary principle in advancing the socialist cause through a correct ideology and correct strategic and tactical leadership means defending to the end and embodying the basic demands and interests of the working class and the working masses of people and the basic ideal and demands of socialism in all activities. This is a manifestation of the thorough revolutionary spirit, party spirit, which is the basis of the revolution.

The respected and beloved leader Comrade Kim Il-song is the indomitable communist revolutionary fighter whose character of revolutionary principle is thorough and strong. That our people have never undergone the slightest degree of political unrest or hardship is entirely because the respected and beloved leader has consistently adhered to the character of revolutionary principle. The revolutionary principle can be defended only through the struggle against the enemies of socialism. In the acute struggle for socialism and against capitalism, when one defends the revolutionary principle one can win victory and when one renounces the revolutionary principle, one can meet death. This is our party's firm political faith.

As the manuevers against socialism by the imperialists and reactionaries become more unscrupulous, the great leader has seen to it that our people more resolutely defend and implement the revolutionary principle. In the struggle against the enemies of socialism one concession inevitably leads to 10 steps or 100 steps of retreat. This is a lesson that the working class has learned from the bloody, firce class struggle.

The mighty shield in defending socialism lies in the principled and resolute struggle. Resisting the enemies' antirevolutionary offensive with a revolutionary offensive and their antirevolutionary strategy with a revolutionary strategy and thus thoroughly smashing them is precisely the revolutionary struggle strategy that the respected and beloved leader has set forth. Due to this strategy, the antirevolutionary offensives by the imperialists and reactionaries have been thoroughly smashed at every phase in our country.

The confrontation with and struggle against the enemies are fiercely waged ideologically. The purity of the revolutionary ideology of the working class, the chuche idea, has been firmly defended in the face of the imperialists' ideological and cultural offensive which has intensified and despite the antirevolutionary trends appearing in the international arena. Thus, the reactionary trends have met their doom. This cannot be contemplated apart from the resolute struggle of the respected and beloved leader.

Clearly distinguishing the quality between socialism and capitalism and stressing the laws of nature—that there is only hostile conflict and struggle between the working class and the capitalist class—the great leader has led the people to thoroughly reject their delusions about capitalism. This has become the guarantee which exalts the inherent nature of socialism and its inherent superiority.

The struggle to strengthen the party, to thoroughly guarantee its leadership, to enhance the function and role of the socialist government, to defend and develop the socialist ownership system, and to oppose imperialism is being vigorously waged in our country today. This is the result of the revolutionary leadership of the respected and beloved leader who is pursuing new ideologies and strategies and implementing them. The great features of the respected and beloved leader Comrade Kim Il-song are related to the leader's extraordinary disposition and talent.

The respected and beloved leader's excellent ability and disposition, including his brilliant wisdom, extraordinary spirit of inquisitiveness, and farsighted scientific insight, are precisely the foundation for his great ideology and strategy. The great leader deeply studied from an early age not only the revolutionary ideology of the previous working class, but also the history of the struggle for liberating our people and the world's people. As a result, he is well acquainted with all advanced ideologies as well as cultures of all ages and all countries. Thus he possesses a complete encyclopedic knowledge.

Such wide, multilateral, and profound knowledge possessed by the great leader has been acquired not in his quiet library but through his energetic study and valuable experiences in the course of the revolutionary struggle. Therefore, all of his knowledge has become the nutrition that enriches the treasure chest of the revolutionary ideology and theory of the working class.

Indeed, the respected and beloved leader Comrade Kim Il-song has been praised among our people and the revolutionary people of the world as the matchless leader and the most veteran and tested leader of the socialist cause because of his extraordinary activity and devoted struggle. The world has never seen a leader who, like our respected and beloved leader, has undergone all of the trials and hardships that any human being has ever had and is now leading the sacred cause for the people to victory through his principled struggle while also at the forefront of the first voyage for the revolution.

3. The Respected and Beloved Leader Comrade Kim Il-song Has Registered the Immortal Achievements in the Course of Leading the Socialist Cause to Victory Through His Great Ideology and Strategy.

The great ideology and strategy create a great reality. The respected and beloved leader's ideology and strategy have opened the new road of carrying out the revolution independently and creatively for the first time in history and has thus effected a great change in the people's struggle for socialism. This is not only a miracle in the history of mankind which amazes the world, but is also a great historic victory in realizing the cause of human liberation. The revolutionary gains attained by our people under the great leader's leadership are shining brightly as monumental edifices, and their significance and transformative roles are becoming greater in history.

The acheievements that the respected and beloved leader has registered in the course of leading the socialist cause through his great ideology and strategy are because he has built a socialism of single-minded unity and glorified it.

Comrade Kim Chong-il, member of the Presidium of the Political Bureau and secretary of the WPK Central Committee, has indicated: It is the great superiority of our socialism that all of the people have been firmly rallied as one mind around the party and the leader and have become the strong main force of the revolution; that our socialism is developing on the firm foundation of independence, self-reliance, and self-defense; and that the people's independent and creative socialist life is in full bloom.

Superiority of socialism turns out differently depending on the guiding ideology. Our socialism is the most superior popular masses-centered socialism which adopts the respected and beloved leader's chuche idea as its only guiding ideology. The superiority of our socialism and its solidity and invincibility have already been clearly proven through practice. Our socialism is the invincible socialism in which the leader, the party, and the masses are firmly united as one mind, forming one social and political organism, and struggle together, helping and leading each other.

The party and the leader infinitely love the people and brilliantly realize the people's desire. The people follow the party and the leader, and they are loyal and dutiful to the party and the leader. This is precisely the appearance of the single- minded unity of our society. Like the 10 party members of Nagwon and the grandmother of (Haesong), all of the people are loyal to the great [widaehan] Comrade Kim Chong-il; and the entire party, all the people, and all the Army have rallied around him as one in body and spirit. The invincibility and eternal life force of our socialism lie in that the entire party and all the people have been united as kin, based on one center and one ideology and like one single organism.

Our single-minded unity is not only the intensive expression of the social relations of socialism, which has become the basis of unity and cooperation, but is also the mighty driving force of the socialist cause. Our single-minded unity is the great unity that enjoys boundless strength.

Our party is advancing forward, holding aloft the militant slogan, "Let us further glorify the socialism of our own style with the might of single-minded unity." Reflected in the slogan is the party center's lofty will to reunify the fatherland, to achieve the final victory of socialism, and to consummate the chuche revolutionary cause by consolidating and developing generation after generation the single-minded unity, which is the mightiest weapon in carrying out our socialist cause.

Because it is built on the foundation of independence, self-reliance, and self-defense, which never stops evolving, our socialism is a genuine people's paradise that tallies with the essential nature of social beings and where the independent and creative life is in bloom.

With the great leader consistently maintaining the principle of independence, self-reliance, and self-defense, our people, full of pride and faith, are enjoying a stable and healthy socialist life with powerful material strength and rich ideological and cultural wealth.

Nowhere does the entire population enjoy such a dignified and proud political life, rich and healthy ideological and cultural life, and equal and affluent material life as they do in our country. Our socialism, which is in conformity with the demand of the popular masses for independence and where everything serves the popular masses, can be fairly said to be a superior socialism in which the working masses' longstanding ideals and desire have been brilliantly realized and its vitality proved even more as history marches on.

Another of the respected and beloved leader's accomplishments in the course of leading the socialist cause with his great ideology and strategy is his creation of precious ideological and theoretical wealth capable of consummating the socialist, communist cause.

Socialism and communism are ideals that mankind have long desired. Countless ideologues, whose names are recorded in history, continued their laborious quest for a way to realize this cause. No one, however, has been able to resolve it completely.

The respected and beloved leader has brilliantly explored the socialist cause through his uncommon ideological and theoretical activities and staggering revolutionary practices and, while leading it on a single victorious road, has created a perfect theory on the communist revolution that illuminates the correct road for socialist, communist construction.

This is a great event that has brought about an epochal turning point for developing the ideology of mankind.

The theory on socialist, communist construction created by the great leader Comrade Kim Il-song is a perfected revolutionary theory which has evolved and has been monolithically systematized based on the immortal chuche idea. This theory clearly indicates the course of socialist, communist construction centered not on material but on man in conformity with the historic conditions of the age of independence when the popular masses' independence, creativity, and awareness have grown beyond comparison.

The respected and beloved leader's unique ideology, theories, and strategy on socialist, communist construction are summed up in the classic thesis that communism is a combination of the people's government and the three revolutions.

Based on his elucidation about the look of the socialist, communist society and the inevitability of its realization, the great leader has presented the general lines of socialist, communist construction on the need to launch the three revolutions—ideological, technical, cultural—while strengthening the people's government and raising its functions and role without interruption.

This is a militant banner capable of consummating the socialist cause and realizing independence for the popular masses through the embodiment of the chuche idea.

The struggle to establish the socialist system is difficult and complicated. Equally difficult and complicated is the struggle to harden and develop it.

The question of guidance and management, which is important in developing and consummating socialism, was a historic task that had not been resolved due to the limited nature of its previous theory and the immature experience acquired in the course of putting it into practice. This question was finally resolved brilliantly when the great leader created the chuche-oriented leadership method and a new Taean work system.

The chuche-oriented leadership method centered on the leader's unitary leadership system; the revolutionary mass lines; a revolutionary work method; and a people-minded work style, the Taean Work System—a political method of running and managing the socialist society as a whole—are mighty means capable of successfully carrying out socialist, communist construction.

Imbuing society with the chuche idea is a great guideline for communist construction designed to develop and consummate socialism.

The respected and beloved leader, using the principle of the chuche idea and the experience acquired in the course of revolutionary practice as a foundation, has set out all the theoretical and practical problems and strategic and tactical principles arising in imbuing society with the chuche idea.

In this way, theories on man-remolding, nature-remaking, and society-remolding have been presented anew and summed up, while the theories on mankind liberation, which had remained within the boundary of speculation, have been fully completed.

Indeed, the respected and beloved leader's theories on socialist, communist construction, the ideological and theoretical summary of our people's protracted historic struggle for socialism, are an immortal banner leading the working masses' struggle for independence on a victorious road.

The communist revolutionary theory of chuche, the scientific, creative, and universal nature of which has been verified through practice, is the most precious asset for the present era and the future of communism. Resolutely defending, safeguarding, and glorifying the revolutionary achievements of the great leader Comrade Kim Il-song is a decisive guarantee for inheriting and consummating the chuche revolutionary cause. It is also the primary duty of our cadres, party members, and the working people.

As historic experiences show, when we fail to defend, inherit, and develop the achievements registered by the leader, the revolution will flounder and its lifeline will be severed. We should keep this truth deep in mind and vigorously accelerate the great march of socialism, upholding the ideology and leadership of the dear leader Comrade Kim Chong-il, who is brilliantly inheriting the fatherly leader's revolutionary cause.

The dear leader Comrade Kim Chong-il is the wise leader who has brilliantly solved the theoretical and practical problems arising in the socialist movement of our times by personifying the great features and talent of the respected and beloved leader. Upholding the respected and beloved leader Comrade Kim Il-song and consummating the chuche cause to the end under any difficult circumstance and situation by leading the party, the Army, and the people is precisely the firm determination of the party center.

The road of victoriously advancing the revolution, demonstrating the might of the-Korean-nation-is-the-best ideology, and achieving the country's prosperity and our next generations' eternal happiness lies precisely in following our party and loyally upholding the party's leadership. The struggle to defend and glorify our socialism which we have gained and defended in the trials of the grim revolutionary struggle is not only the struggle for our nation's future, but is also the sacred struggle for mankind's destiny.

The revolutionary people of the world, looking enviously and expectantly at our country where the red banner of socialism is flying high, actively support and encourage our people's revolutionary cause. We have surmounted grim trials at every phase, and the overall situation is developing in our favor. We should keep firmly in mind the solemn demands of the times and history and the importance of our mission and duty and should continue to victoriously advance the socialist cause under the party's leadership.

An important task that arises in accelerating the socialist cause and further glorifying the socialism of our own style is to properly carry out socialist economic construction. Only by properly carrying out socialist economic construction can we strengthen the economic strength of the country, further promote the people's living, and thus vigorously demonstrate the superiority of our own style socialism, not only politically and ideologically but also materially. We should vigorously struggle to effect a new great revolutionary upsurge in socialist economic construction. We should firmly give priority to the power industry, coal industry, and railway transportation sectors; continue to concentrate great efforts on agriculture and light industry; and accelerate the construction of houses. Thus, we can smoothly solve the food, clothing, and housing problems of the people in conformity with the socialist demands.

We have all conditions with which we can fully fulfill the broad task of socialist construction. Our struggle is optimistic and firm in faith. The problem lies in displaying in all sectors and units the revolutionary spirit of self-reliance and fortitude, which is the traditional struggle spirit of our people, and in increasing the responsibility and role of guiding functionaries, who are the commanding members of the revolution.

Functionaries of all administrative and economic organs, including the State Administration Council, are now willed with the firm determination to repay the party's and the people's trust by displaying lofty revolution-mindedness and combat capability, cherishing deep in their hearts the great honor and mission of assuming responsibility for the country's economic work and thus thoroughly implementing the party's economic policy.

The future of the socialist cause of chuche which our people have chosen under the great leader's leadership and have pioneered with their own strength is boundlessly bright. Our party will become an iron-willed party which will never be shaken by any wind; our people will become the heroic people who do not fear any powerful enemy; and our fatherland will become a socialist country which constantly enriches and develops under any difficult circumstance because the great leader, who has embroidered the course of protracted struggle for socialism with brilliant victories and the dear leader Comrade Kim Chong-il who has tested leadership ability, lead our people, party, and fatherland.

Under the party's leadership our people will vigorously advance along the single road of socialism pioneered by the great leader and will consummate to the end the chuche revolutionary cause generation after generation. This is precisely the oath of single-hearted loyalty of our people who greet the 80th birthday of the respected and beloved leader.

South Korea

'Correction' to U.S. Trade Report Demanded

SK0904095292 Seoul YONHAP in English
0855 GMT 9 Apr 92

[Text] Seoul, April 9 (YONHAP)—South Korea has expressed its regrets to Washington about inaccurate accounts in the U.S. Trade Representative's [USTR] report on trade barriers and it has demanded a correction, the Finance Ministry said Thursday.

In a letter to Assistant Treasury Secretary for International Affairs Olin Wethington, Second Assistant Finance Minister Yi Hwan-kyun said Thursday that the March 30 report caused "too much regret" on the part of Seoul, because it "fails to duly mention" financial market opening.

Yi asked the USTR to accurately and promptly convey Korea's efforts for financial market opening to related institutions in the United States.

At one point, the report said that branches of foreign banks were restricted from engaging in fair competition with domestic banks, but the letter pointed out that foreign branches are given the same treatment as Korean banks and even favors concerning credits to small-and medium-sized firms.

As for the establishment of foreign bank branches in Korea, the restrictive rules were abolished in June last year.

The report claimed that Korea was lowering the ceiling on swap funds without offering a proper alternative, but reduction of the ceiling was discontinued in June last year.

Foreign banks were given better conditions to appropriate funds here when the ceiling on certificates of deposit was raised and the trust business was expanded.

The report said foreign banks were not allowed access to Korea's computer network, but consultations are under way on such access.

As for the report's claim that securities firms were allowed to set up representative offices but not branches, the letter noted that four securities firms have been allowed to upgrade their offices into branches.

Study Examines NAFTA Impact on Exports

SK0704033192 Seoul THE KOREA ECONOMIC WEEKLY in English 6 Apr 92 p 23

[Article by Yi Hang-ku, senior researcher of the Korean Institute of Economics and Technology: "Hard Times in Store for Korean Exporters as NAFTA Takes Effect"]

[Excerpts] During the past six years, the United States has negotiated a series of bilateral trade agreements with Canada and Mexico, its largest and third largest trading partners, respectively. The US-Canada FTA [free trade agreement] was signed in January 1988 and, on February 5, 1991, the presidents of the United States and Mexiso, and the Prime Minister of Canada, announced their intention to begin negotiations on a North American Free Trade Agreement (NAFTA). [passage omitted]

A bilateral or a trilateral FTA basically represents a preferential trade agreement among member countries and discriminatory relations against those outside the FTA. The removal of trade and investment barriers under an FTA has the potential of creating additional trade activities among member countries, but also has the potential of diverting trade activities against non-member countries. [passage omitted]

The formation of a NAFTA would have an impact on the trade policies of non-member countries, such as Korea, whose trade success depends heavily on the North American market.

Korea, as a non-member country, needs to monitor carefully the developments in negotiations for the NAFTA and to evaluate critically the implications of such an agreement for its own export industries. [passage omitted]

We (KIET [Korean Institute of Economics and Technology], North America Division) have finished a study, the "Likely Impact of NAFTA on Korean Industries." However it is difficult to quantify the overall impact of the NAFTA on Korean industries at this stage, because of many variables, both economic and political, in the negotiations. This analysis was focused on comparing the industrial competitiveness of the US , Mexico, Canada and Korea and estimating the impact of the NAFTA on Korea's exports to the US in six key manufacturing industries. These industries are consumer electronics, semiconductors, computers, telecommunications apparatus, automotive products, and apparel, which were selected based on the competition status between Korean and Mexican goods in the American market.

This study finds that Korean exports to the US would experience more trade diversion and increased competition in labor-intensive products. The industries that would be most affected by the NAFTA are consumer electronics in the shortterm and computers, telecommunications equipment, automobiles, and apparel in the long term. The semiconductor industry would not be affected for the time being. [passage omitted]

As domestic policy measures, this study recommends: broadening research and development, intensifying technology development, developing brand names instead of emphasizing OEM [original equipment manufacturing] exports, specializing production according to company size, intensifying marketing efforts in the US market, continuing efforts to improve product quality, shifting toward more capital—and technology—intensive products, and expanding local production capacities in the markets of NAFTA members in the areas of consumer electronics and apparel.

As external policy measures, this study recommends the following actions: continued monitoring of the developments in the NAFTA negotiations: developing detailed action plans designed to avoid trade frictions with the United States: supporting the re-opening of, and participation in, the Uruguay Round of GATT [General Agreement on Tariffs and Trade] negotiations; and initiating increased cooperation with the countries of the Asia-Pacific region.

Korean Economic Zone in Russia Considered

SK0904024592 Seoul YONHAP in English 0046 GMT 9 Apr 92

[Text] Seoul, April 9 (YONHAP)—The government will dispatch a working-level team to Russia April 15 to conduct a feasibility study for the creation of a Korean autonomous economic zone in far eastern Russia, officials said Thursday.

The 10-member team, from ministries of trade-industry and energy-resources and government-run corporations, is scheduled to visit Moscow, Alma-Ata, Vladivostok and Khabarovsk until April 27 and undertake a thorough feasibility study on creating the zone, which may house an industrial complex as well, the officials said.

Leaders of the 430,000 ethnic Koreans in the Commonwealth of Independent States have expressed the hope to establish the zone in a far eastern area of Russia with the help of the South Korean Government and private companies.

The government plans to determine whether or not to pursue the project on the basis of the report that will be made by the team, according to the officials.

If the government decides to go ahead with the project, it will do so in consultation with the Russian Government and with the participation of Korean companies hoping to make inroads into Russia in search of abundant natural resources, the officials said.

Role in Asia-Pacific Economic Zone Examined

SK0904064092 Seoul YONHAP in English
0554 GMT 9 Apr 92

[Text] Seoul, April 8 (YONHAP)—The Korea Chamber of Commerce and Industry recommended Thursday that South Korea work together with other non-advanced nations of Asia to survive in the proposed Asia-Pacific Economic Zone.

There was a strong possibility, the Chamber said, that the Asia-Pacific Economic Zone would be realized for the benefit, mainly, of the United States and Japan. Korea, therefore, should work out cooperative measures with other Asian nations to become a balancing group within the zone.

The Chamber made the recommendation in a report on "the Asia-Pacific Economic Zone and regional integration."

The report pointed out that although the United States and Japan are divided in certain areas, their interests in the region are more or less the same. In bilateral dealings, Japan is expected to accommodate U.S. pressure to open its markets but will, in return, try to get U.S. recognition of its initiative in the Asia-Pacific Economic Zone, the report said.

The zone will comprise four blocs—the advanced countries (the United States and Japan), the newly industrialized countries like South Korea and Taiwan, members of the Association of Southeast Asian Nations (ASEAN), and the communist bloc of China and North Korea.

The last three groups should find ways to cooperate among themselves against the two advanced countries if the economic zone was to work fairly and equitably for all nations in the region, it said.

If South Korea worked positively for these three groups, it would be able to grab a considerable degree of initiative for the economic development of the region, it said.

Dispute Persists Over Military 'Vote Rigging'

SK0904013692 Seoul THE KOREA HERALD
in English 9 Apr 92 p 3

["News Analysis" by staff reporter Yi Song-yol: "Military Fails To Clear Doubts Over Vote Scam"]

[Text] Contrary to their intention, the Defense Ministry and the Army have failed to alleviate popular suspicions about the rigging of military absentee voting and made the issue even more controversial.

With Defense Minister Choe Sae-chang's announcement last week, the ministry and the Army only tried to prevent the military absentee vote scandal from growing rather than trying to unveil the truth.

Choe's categorical denial of any wrongdoing infuriated opposition parties and civic election watchdog groups, and disappointed many citizens who had expected the military's recognition of the truth and promise for reform.

Even though Choe admitted that some officers made biased political speeches to their soldiers before the National Assembly elections, the defense minister refused to punish them.

Critics said it was evidence that the military still turns a deaf ear to growing popular demands for reforms in the Armed Forces and neutrality in its political stand.

What Choe said was, in short, that although some officers made controversial speeches, the allegations about the rigging of military absentee voting were false and unfounded, and there would be no punishment.

All the allegations made by First Lt. Yi Chi-mun March 22 were false and over 200 reports filed with civic election watchdog groups and news media by soldiers about vote rigging were groundless, according to Choe.

But there are still some problems with his announcement.

His announcement was on "the results of investigation of First Lt. Yi's allegations regarding the vote rigging," but the investigation was done by the very Army unit that was the subject of Yi's allegations.

Thus, it would be very difficult to expect that the investigation itself was impartial.

Choe said a Defense Ministry investigation team had visited the 9th Division and investigated Yi's allegations, but the team only stayed 2 ½ hours at the division and met Yi for only 10 minutes.

An official of the Citizens' Coalition for Fair Elections (CCFE) said yesterday that "That's why we don't believe Choe's denial of vote rigging, and that's why we, the opposition parties and student groups are calling for a fair investigation by a neutral team."

The official also pointed out that Minister Choe had not instructed his own investigation team to investigate the case thoroughly, but made the announcement simply based on reports of the 9th Division commander of the Army.

"It only proves that the Army is stronger than the Defense Ministry, while the ministry is the superior organ only in name," he charged.

Actually, officials from the Defense Ministry and the Army argued before Choe's announcement about the ministry's plan to admit to the misconduct regarding the military absentee vote and punish some officers.

Another problem with Choe's announcement is that the military did not take the "problematic speeches" made by some officers seriously, including those made by Air

Force Gen. Pak Chang-kyu, commander of the Air Defense Artillery Command.

In his speeches in late February and early March, Pak denounced opposition lawmakers and opposition parties, going as far as to say that "some of them are linked to leftist elements."

His speeches were taped, and the Defense Ministry did not deny that Pak made such controversial remarks, but said that they were part of the "usual speeches" during education sessions for soldiers. In his case, the military's political neutrality was not observed, which Minister Choe failed to recognize.

Choe said that investigations of other allegations filed with the news media and civic groups will continue, adding that the results would be made public. But if he denies all of the allegations, it may seem safe for the military, but would aggravate popular distrust.

Observers predicted that the controversy may continue as opposition parties, civic groups and student organizations threaten to reveal the truth about the scandal.

The CCFE has launched a signature drive, and Chondaehyop, the nation's largest student group, vowed to sponsor mass rallies in mid-May.

The opposition parties are calling for the introduction of a "special prosecutor" for fair investigation of the allegations made by First Lt. Yi, who is under arrest by his own division, the 9th Army Division.

The military's rigid stance has increased the public's distrust of the military.

"A fair investigation should be conducted to see whether the military absentee voting March 16-23 was really fair," said the CCFE official.

He also said that the role and authority of the Defense Security Command should be readjusted, as it is suspected of having been involved in the scandal.

DP Cancels Protest Signature Drive

SK0904010092 Seoul THE KOREA TIMES in English 9 Apr 92 p 2

[Text] The Democratic Party [DP] yesterday scrapped its plan for a signature collection drive aimed at protesting the alleged vote rigging at military units, as part of its low-profile strategy that complies with its assiduous efforts to diffuse its hawkish image and woo the middle class.

Rather, executives of the main opposition party will convene three National Assembly panels including the Defense Committee to deal with the issue at the legislative organ.

The Defense Committee, convened by the second largest party by its own right in the afternoon, was recessed due to the absence of majority ruling party members. No Defense Ministry officials were present.

The Finance and Economy-Science Committees, to open tomorrow and Monday to handle economic problems including soaring commodity prices, are also likely to be recessed because the ruling Democratic Liberal Party [DLP] opposes their being called into session.

The DP charged the DLP with neglecting its duty as the largest party, being engrossed only in its all consuming struggle over party hegemony and its presidential nominee.

The economic committees, called by the DP, will also serve as a chance for the opposition party to show off its endeavor to improve living conditions of the people, in particular, underprivileged ones, who have largely favored the party.

The DP's departure from its projected signature-gathering campaign, a conventional form of street protest, was aimed primarily at distancing itself from the Unification National Party [UNP] which took the initiative in the offensive against the ruling camp Monday.

The UNP founded by billionaire businessman Chong Chu-yong has been branded a hard-liner with its severe criticism of the No Tae-u administration. It emerged from the general elections as the nation's third largest party and is viewed as holding the deciding vote in the next Assembly that opens in June.

Yet DP chairman Kim Tae-chung, displeased with Chong's humiliating digs at his political career, is giving a pointed slight to the UNP and its leader though his aides say that he stands a better chance in December's presidential election if Chong enters the race in the role of spoiler.

Kim Tae-chung wants to retain the bipartisan system basically despite the UNP gaining the right to form its own negotiating group in the Assembly.

One of the greatest victims of past military dictatorships, Kim hoped not to provoke incumbent military leaders into banning protest rallies including signature collection drives, insiders said.

The DP chairman attracted three retired generals to his party and helped them get Assembly seats as part of his plan to win over the conservatives. Former Korea War College dean Na Pyong-sun, one of the three new DP members, said that he received several calls from active generals welcoming the DP's decision not to take to the streets.

No, Kim Chong-pil Discuss Party Nomination

SK0904005592 Seoul THE KOREA HERALD in English 9 Apr 92 p 2

[By staff reporter Kim Chong-chan]

[Text] President No Tae-u met with Kim Chong-pil, the ruling party's co-chairman, yesterday to discuss the party's presidential nomination in May.

On the same day, the governing party began to hold rallies to revamp its 179 district chapters across the country to elect thousands of deputies to a convention May 19 to pick the DLP's [Democratic Liberal Party] presidential nominee. The rival party factions are desperate to attract as many deputies as possible for the nomination convention.

Details of the No-Kim meeting were not made known immediately.

But DLP and Chongwadae sources said No asked Kim to return to party duties. Kim responded favorably, they said.

Kim, who leads the party's third largest faction, had not reported to work since his party's poor showing in the March 24 parliamentary elections. He had asked the party's top officials including himself to resign for the election debacle.

Political analysts said who Kim and his followers will support may be a crucial factor in determining the government party's nominee for the presidential election expected late this year.

Kim Yong-sam, the party's executive chairman who has already declared his candidacy in the nomination race, and a group of seven leading DLP lawmakers opposed to Kim have been actively soliciting the support of Kim Chong-pil.

The seven lawmakers who belong to the party's largest faction led by President No have been trying to pick a unified candidate to pit against Kim Yong-sam, a longtime former opposition leader and now head of the party's second faction.

No, whose five-year term ends in February next year, cannot seek a second term under the Constitution.

President No is to meet Kim Yong-sam today to discuss the party's presidential nomination.

Kim and his cohorts have urged No to throw his support behind Kim, asserting that overheated competition for the nomination may deal a blow to the DLP and lead to the party's defeat in the presidential election, triggering outcries from Kim's opponents.

Otherwise, steps should be taken to prevent too many candidates from running for nomination, they insisted.

The demand was taken to mean that the Kim Yong-sam faction opposes Pak Tae-chun, a co-chairman who has managed the party's mainstream group on behalf of President No, becoming a candidate to stand against Kim. Kim's faction is far outnumbered by the other factions.

The demand was first put forth by Rep. Kim Yun-hwan, former secretary-general of the party. Kim, close to Kim Yong-sam, Monday contended that the party should pick a single candidate since fierce competition between Kim Yong-sam and his opponents may seriously undermine party unity.

Rep. Kim Tok-yong, a long-time aide to the executive chairman, also voiced objection to open competition as favored by President No and his followers.

The aide contended that if the current factional feuding over who should become the party's presidential nominee heats up, the DLP can not win the presidential election.

But Pak Tae-chun, Yi Chong-chan and five other leading mainstream DLP lawmakers opposed to Kim Yong-sam met again yesterday and reaffirmed their position that the DLP's flag-bearer should be chosen through open competition.

Following the meeting, Rep. Choe Jae-uk labeled the Kim Yong-sam faction's demand that President No support Kim as "undemocratic."

"It runs counter to the democratic reform proposals announced by President No on June 29, 1987," said Choe, Pak's chief secretary who also attended the meeting.

He said the conferees agreed to continue efforts to pick a unified candidate to pit against Kim Yong-sam by April 15. Pak and Yi are being referred to as leading contenders representing the largest faction.

About 6,900 deputies are to attend the DLP's presidential nomination convention, party officials said.

Of them, some 4,100 deputies will be elected in the party's district chapter reorganization rallies. The remaining deputies include party officials and lawmakers.

Kim Pok-tong Hints at Presidential Aspirations

SK0904003792 Seoul THE KOREA TIMES in English 9 Apr 92 p 2

[From the "Press Pocket" column entitled: "In-Laws"]

[Text] Kim Pok-tong, an in-law of President No Tae-u, who won an Assembly seat in the March 26 elections, strongly indicated that he would also bid for the ruling party's presidential nomination race while launching an indirect attack against party executive chairman Kim Yong-sam.

In a circular he released through confidants, Kim said what the people expect of the Democratic Liberal Party [DLP] is that a certain person not be fixed as its standard bearer.

What the people want to see is the rise of a politician who could unveil a blueprint that will lead the nation into the future instead of one that has no vision of the current of politics.

He went on to say that political leaders who seek power, by taking advantage of regional antagonism are not people to cooperate with but ones who should be shunted aside.

Now is the time, he said, for the nation to see a political leader capable of carrying out reforms in an era of stability step forward.

In the meantime, another in-law of No's, former trade and industry minister Kum Chin-ho, expressed his displeasure at being classified by the media as a person who supports executive chairman Kim as the DLP presidential nominee.

Some people suspect his seeming "turnabout" may have been caused by his "belated" reading of the mind of No. No has been noncommittal as to whether he supports the executive chairman or sides with anti-Kim forces.

Tax Office To Collect Penalty From Hyundai

SK0904011692 Seoul THE KOREA TIMES in English 9 Apr 92 p 1

[Text] The tax office yesterday decided to collect 27.1 billion won (about 35 million U.S. dollars) in penalty tax from the Hyundai Merchant Marine Co. after it found Korea's largest shipping firm diverted 29.9 billion won in company earnings through document forgery between 1987 and 1991.

The Seoul tax office filed complaints with the prosecutors' office against Chong Mong-hun, owner of the shipping firm and the fifth son of Hyundai Group founder Chong Chu-yong, and its former and incumbent presidents Song Chung-chae and Pak Se-yong for dodging taxes and violating foreign currency laws.

The three Hyundai executives are charged with violating the Tax Offenses Punishment Act and Foreign Exchange Control Act.

If convicted, they will face jail terms of more than five years after paying penalty taxes equal to 2-5 times the evaded tax amount.

The Prosecutor's Office in the port city of Pusan, meanwhile, announced the arrest of the head of the Hyundai Wood Industries Co. for discharging pollution beyond the legally-permissible amount. It said the furniture firm was ordered to rectify its anti-pollution equipment.

Coincidentally, the three unlisted Hyundai subsidiaries—Hyundai Heavy Industries, Hyundai Elevator and Hyundai Industrial Development—were rejected from being registered with the over-the-counter (OTC) trading desk. The exclusion is in line with the government's decision not to include any subsidiaries affiliated with the big five conglomerates in Korea.

For the past five years from 1987, Hyundai Merchant Marine Co. has "intentionally, habitually and systematically" inflated navigation costs, port charges, cargo expenses and fuel expenses, deflated accounts receivable and applied inappropriate foreign exchange rates to its foreign currency denominated bonds in an attempt to evade tax, according to Chong Chae-sung, chief of the Seoul tax office.

He said tax men had completed a five-month intensive audit of Hyundai Merchant Marine, which is 100 percent owned by Chong Chu-yong, his fifth son Mong-hun and the Hyundai subsidiaries.

The tax audit was made after the tax office designated the company as one of "insincere companies" in the 1989 tax report.

Hyundai Merchant Marine evaded tax amounting to 21.1 billion won by artificially inflating navigation costs, port charges, and cargo and fuel expenses. To dodge taxes, it had fabricated a wide variety of invoices and bank documents on 292 occasions for the past five years.

It also avoided paying another 2,600 million won, intentionally excluding account receivable from its sales reports. By wrongly applying artificial exchange rates on foreign currency-denominated bonds, it also avoided tax on 2,400 million won.

Due to misinterpretation of the accounting rules, Hyundai Merchant Marine also dodged payment of 3,800 million won in tax, it said.

It is the second time in six months that Hyundai has been slapped with a punitive tax for evading payments. Late last year, the Korean tax office slapped an unprecedented amount of 130 billion won on Hyundai's Chong Chu-yong, his family members and the Hyundai subsidiaries.

The tax office said as its tax evasion was well-planned, systematic and intentional, it had decided to file a criminal law suit against the three executives including Mong-hun.

The company is also charged with violating Korea's Foreign Exchange Control Act because its subsidiary in the United States borrowed 90 million dollars without approval from Korean banks. Furthermore, Hyundai Merchant Marine's head office "fabricated documents" to pay interest on the 90 million dollars the U.S. subsidiary borrowed in the United States.

The tax office said Hyundai Merchant Marine had broken tax rules to generate funds for use at home.

The Prosecutor's Office in Seoul has kicked off its formal probe of the Hyundai Merchant Marine Co. and its 6 managers including accountants.

It will confiscate documents of the company to look into the details of its business practices.

Volume of Foreign Exchange Transactions Increasing

SK0904024992 Seoul YONHAP in English 0140 GMT 9 Apr 92

[Text] Seoul, April 9 (YONHAP)—The volume of foreign exchange transactions has grown sharply since the year began because of government steps to stimulate the foreign exchange market and the opening of the stock market.

The share of foreign exchange dealings held by Korean banks has steadily increased while that of foreign banks has shrunk.

The Finance Ministry's quarterly report on the foreign exchange market, released Thursday, also showed that during the first three months inter-bank spot exchange transactions totaled 315 million U.S. dollars, up 34 percent over 235 million dollars in the like period of last year.

Forward exchange transactions among banks amounted to 86 million dollars, an increase of 36.5 percent.

A Ministry official attributed the briskness in foreign exchange dealings to the expansion in the scope of the ex post factum forwarding of end-user's certificates needed in forward exchange dealings.

Foreign exchange transactions were also affected by a set of measures to perk up the foreign exchange market. One of the steps was to expand the permissible daily limit of fluctuation from 0.4 percent to 0.6 percent last September.

Another reason for the growth was the steady influx of foreign exchange funds prompted by surging external trade and the partial opening of the stock market at the turn of the year.

Of total spot exchange deals in January-March, 56.6 percent were handled by domestic banks, compared with 54.7 percent a year before. Their share in forward exchange transactions rose from 39.7 percent to 43 percent.

Volume on the foreign exchange call market increased 32.7 percent in the first quarter in terms of the U.S. dollar over the like period last year. In terms of Japanese yen, the rise was 20 percent. Domestic banks almost monopolized call market dealings, with their share reaching 97 percent.

Call market rates decresed, affected by a global interest rate downturn. Dollars for single day use carried an annual rate of 4.67 percent as of the end of March, 0.05 percentage points less than at the end of last year. The yen rate was 5.74 percent, compared with 6.34 percent at last year end.

Burma

'Scores' of Muslims Said Killed at Prayers

BK0804053092 Hong Kong AFP in English 0426 GMT 8 Apr 92

[Excerpt] Dhaka, April 8 (AFP)—Scores of Burmese Muslims were killed and hundreds injured when Rangoon's troops opened fire on a mass prayer at the end of the fasting month of Ramadan, press reports here said.

One newspaper, the mass-circulation daily ITTEFAQ, put the death toll at 300, while other estimated between 36 and 100 people were killed.

ITTEFAQ, quoting refugees, said up to 5,000 Muslims, known as Rohingyas, burst out of 'Id festival prayers at a mosque in Mongdu township in Burma's Arakan state on Sunday when troops opened fire.

Troops took away the bodies, it added.

THE BANGLADESH TIMES quoted Ali Zoha, a priest of the mosque who fled to Bangladesh, as saying troops lobbed several grenades at the Sikderpara Jame mosque, killing 30 people instantly and injuring many others.

Independent confirmation of the reports was unavailable. [passage omitted]

Rebel Doubts on Saw Maung's Peace Proposal Noted

BK2903115692 London BBC in Burmese to Burma 1345 GMT 28 Mar 92

[Commentary by Dominic Faulder in Bangkok]

[Text] Dear listeners: Senior General Saw Maung's superficial criticism followed some peace bids by the State Law and Order Restoration Council [SLORC]. To talk of peace initiatives at a time when the Myanmar [Burmese] troops are waging an unprecedented war against the Karen National Union [KNU] is like saying one thing and doing another. The rebel groups, which doubt the SLORC will stop its oppression, are hesitant to accept the SLORC's proposals. The rebel organizations are cautiously looking into SLORC's proposals because the SLORC is even trying to wipe out the NLD [National League for Democracy] party—which is using peaceful methods to pursue a democratic system—regarding it as a rebel organization.

The SLORC always uses the term goodwill, but it is the gun that it really uses. Although Sr. Gen Saw Maung always says he desires national unity and the non-disintegration of national solidarity, he never paid any attention to Myanmar [Burma] being attacked from the outside. Sr. Gen. Saw Maung did not elaborate on what he was doing about national unity in the face of Myanmar refugees fleeing to Bangladesh, Thailand, and India.

While considering his country's 50 years of independence from colonial rule, Sr. Gen. Saw Maung has not shown any signs of admitting that state power should be transferred to a sovereign government. History can be rewritten and forgotten, but it cannot be changed. Current situations can always change. Historically, power transfers are the main causes that have continuous effects. Numerous internal problems which cannot be solved by the gun can be decisively solved by changing and adopting new attitudes.

The military administration's continued dependence on the defense services, which is ruthless and lacks ambition, is the greatest cause of Myanmar's long-term problems and has been the one factor for which the whole world is condemning the SLORC. The treatment of Muslims in the Arakan State has caused anger among the Muslim countries of the world. All ASEAN countries but one have begun criticizing Myanmar after earlier adopting a policy of avoiding such criticism.

Currently, non-political foreign organizations have called for intervention to support greater consideration toward the affected people. Unprecedented seminars are being held on how to bring peace to Myanmar, how to make democracy prevail, and how to make peace and tranquility return to Myanmar.

Sr. Gen. Saw Maung pledged in January (?1990) that the way to democracy will be a way decorated with flowers. Now those flowers have withered away. SLORC's peace proposals are still too dreadful to be acceptable if its guns do not stop shooting.

Leading Member of Insurgent Group Surrenders

BK0804142692 Rangoon Radio Burma in Burmese 1330 GMT 8 Apr 92

[Excerpt] Nai Pan Tha, 71 years old, who was a central committee member, secretary of a military committee, central executive committee member, and person in charge of administration of the NMSP [New Mon State Party] terrorist insurgent organization, together with Private Myo Myint Lwin, 27 years old, of the NMSP's 333d Battalion, surrendered to the Myanmar [Burmese] Embassy in Bangkok, Thailand, on 12 March.

Nai Pan Tha and Myo Myint Lwin were then sent to Yangon [Rangoon] with arrangements made by the Myanmar Embassy and arrived on 18 March. [passage omitted]

Rangoon Reports Capture of Intruding Trawler

BK0404164492 Rangoon Radio Burma in Burmese 1330 GMT 4 Apr 92

[Text] Our security forces have been performing their duties full-time to ensure security of life and property of the people as well as defending the country from the threat of destructive elements.

While on security patrol along the coast of Sittwe in Rakhine [Arakan] State, our security force came across a suspicious vessel inside our territorial waters and two miles offshore at 2030 on 29 March. The security force ordered the vessel to stop but it fled. Shot were fired to make the vessel halt. Those aboard jumped into the sea and escaped.

The security forces captured a trawler 45 feet long by nine feet wide by three feet deep, 100 yards of fishing net, two gallons of fuel, one plastic pail, a buoy, one anchor, one lantern, and some dishes.

Brunei, Malaysia & Singapore

Malaysia

Policemen Leave for Cambodian UN Peace Mission

BK0804113492 Kuala Lumpur BERNAMA in English 0936 GMT 8 Apr 92

[Text] Kuala Lumpur, April 8 (OANA-BERNAMA)—The first batch of eight policemen of the Royal Malaysian Police left Wednesday for Phnom Penh to serve with the United Nations' peace mission in Cambodia.

Inspector Zulkifli Ali heads the team of four sergeants and three corporals who left by a Malaysia Airlines (MAS) flight.

They are part of the 75 policemen from Malaysia who will serve with the United Nations Transitional Authority in Cambodia (UNTAC). The group comprises one superintendent, one deputy superintendent, two assistant superintendents, four inspectors, 33 sergeants and 34 corporals.

The remaining 67 personnel will leave in early May, Police Director of Management Ang Phaik Chin said at a briefing.

He said the policemen would serve at the headquarters and in the provinces and districts, with one UNTAC policeman expected to supervise 15 local policemen and about 3,000 people.

The policemen, who had undergone two weeks of training, would serve with the mission for nine to 18 months.

Importance of Economic Ties With Vietnam Viewed

BK0804141492 Kuala Lumpur Voice of Malaysia in English 0800 GMT 8 Apr 92

[Station commentary]

[Text] In the light of the economic reconstruction and develoment taking place in the Indochinese states, especially in Vietnam, countries in Southeast Asia are taking active steps to exploit vast opportunities that are opening up on the region's emerging markets.

Singapore and Thailand, among the ASEAN countries, have not wasted any time in making inroads and already had a headstart over the others. Malaysia does not wish to be left behind in the race, and a number of its entrepreneurs are in regular contact with their Vietnamese conterparts to explore the business opportunities available. Malaysian companies are however clearly aware of the stiff competitions that exist in penetrating the new market.

One Malaysian corporation that is making headway is the Perwaja Steel on the east coast of Peninsular Malaysia. Officials of Perwaja and the Vietnam Steel Company, VSC, have made reciprocal visits and conducted useful sessions in business conference and [words indistict] industry. Their moves have shown that there is a great chance to work together for their mutual benefit. The Vietnamese steel market is presently estimated at 600,000 tonnes and is growing fast. VSC produces 200,000 tonnes and the balance of 400,000 tonnes coming mainly through imports from Singapore and Europe. Perwaja plans to capture the market by offering its products on a comparative basis in terms of price, quality, and delivery. The Malaysian company [words indistinct] producing more than 1 million tonnes by the end of the year, has the capacity to meet Vietnam's demand. Perwaja also has a plan to set up a rolling mill in Vietnam in a joint venture with VSC, which has expressed its wish to learn from Malaysia's experience in the production of steel. Such cooperation, and similar ventures in other fields, augurs well for the future of Malaysia-Vietnam trade and business relations, which are now being actively promoted by both governments.

When Prime Minister Dr. Mahathir Mohamed makes his scheduled six-day visit to Vietnam from 19 April, he will be witnessing the signing of a memorandum of understanding for the improvement of postal and telecommunications systems. The existing system between the two countries needs to be upgraded. This is in view of the fact that Malaysian investments in Vietnam are on the increase. The balance of trade and other forms of cooperation are being stepped up. The private sectors from both countries will welcome the advancement and modernization of the postal and telecommunications system. It will facilitate in the communications between business communities, which in turn will (?result in) speedier movement of goods and services between the two countries.

The current development clearly indicates that Malaysia and Vietnam are moving closer together through cooperative and mutually beneficial endeavors. There is vast potential for the further consolidation of close and friendly ties and fruitful business relationship between Vietnam and Malaysia as well as all her other neighbors. Vietnam's entry in the ASEAN family is a foregone conclusion. It will help in fostering greater peace and stability of the region as a whole.

Environment Meeting Said To Gain in Importance

BK0904061692 Kuala Lumpur BERNAMA in English 0335 GMT 9 Apr 92

[Text] Kuala Lumpur, April 9 (OANA-BERNAMA)—An environment conference to be held here this month, has become all the more important following unsuccessful attempts in New York to draft documents for the earth summit, in Rio, Brazil.

Malaysian science, environment and technology minister, Law Hieng Deng said Thursday, the second ministrial conference of developing countries on environment and development here from April 27 to 29, would be the last opportunity for developing countries to declare their stand on environmental issues before the summit.

The preparatory committee (PREPCOM) meeting for the summit which ended in New York recently, had failed to resolve issues such as the flow of environmentally sound technology to developing nations and the financial responsibilities of industrialised nations.

The Kuala Lumpur conference will be a last chance for countries from the south to review their stand, assess the outcome of PREPCOM and discuss followup action.

They can exchange views on unresolved issues, said Law.

To date, 35 developing countries and seven developed nations have confirmed attendance.

Cambodia

Hor Namhong 'Very Worried' about KR Attitude

BK0904063692 Phnom Penh SPK in English 0421 GMT 9 Apr 92

[Text] Phnom Penh SPK April 9—Phnom Penh Foreign Minister Hor Namhong said Tuesday he was worried by the Khmer Rouge's [KR] refusal to let UN peacekeepers into the territory they control, reports AFP.

"We are very concerned about the KR behavior in the implementation of the peace accord," he told a press conference before leaving for Beijing with Prince Norodom Sihanouk and KR leader Khieu Samphan.

He suggested that the United Nations Security Council might have to take action to get the radical Marxist faction to open its fortress.

UN Transitional Authority in Cambodia (UNTAC) Chief Yasushi Akashi told Khieu Samphan at a Supreme National Council (SNC) meeting Monday that he must allow peacekeepers into his area of control.

But Khieu Samphan read a statement making the inspection of KR territory conditional on the deployment of UN troops to verify the withdrawal of Vietnamese troops and the cantonment of all military forces.

Cantonment is scheduled to begin in June.

The KR have previously said they would open their territory after UNTAC arrived.

"By adopting this position, the KR have transformed UNTAC into a hostage," Hor Namhong said.

"Even if UNTAC responds to these conditions, will they (the KR) have other conditions after that?" he said. "I'm very concerned, very worried about the KR attitude."

Prince Sihanouk at the SNC meeting told Khieu Samphan that the conditions he imposed were not realistic.

"The two acts must be in parallel, not one after the other," sources who attended the meeting quoted the prince as saying.

Khieu Samphan did not respond, the sources said.

However, staff of the UN High Commissioner for Refugees (UNHCR) said they had begun controlled visits to areas chosen for resettlement by refugees living in camps on the border with Thailand.

The UNHCR has to carry out the inspections in order to guarantee the safety of returning refugees. The inspections began Monday and are to last until Wednesday.

At the SNC meeting, the four Cambodian factions also discussed the UN-proposed electoral law for the elections to be held in 1993.

Hor Namhong said the Phnom Penh Government does not want non-ethnic Khmers to vote in the election, even if they were born in Cambodia.

Cambodia has hundreds of thousands of ethnic Vietnamese and ethnic Chinese people born in the country.

"Vietnamese and Chinese are foreign residents. They have no rights," Hor Namhong said.

UN May Request Security Council Help

BK0904065292 Hong Kong AFP in English 0557 GMT 9 Apr 92

[Text] Phnom Penh, April 9 (AFP)—The head of the U.N. peacekeeping operation in Cambodia, Yasushi Akashi, said Thursday he would not rule out U.N. Security Council action if the Khmer Rouge [KR] do not start cooperating.

The radical Marxist faction has refused the United Nations access to the zones it controls in Cambodia.

U.N. peacekeepers need to get in to survey the land for demining, demobilization, election planning and the resettlement of refugees—all part of implementing the Cambodian peace process ending the civil war.

"Our people have often been frustrated," Akashi told a press conference.

But he indicated that the KR were softening their stance, including letting U.N. High Commissioner for Refugee (UNHCR) officials into selected zones for refugee resettlement inspection.

That policy must be extended to U.N. military forces, Akashi said.

"If not we'll have to consider other measures and I would not exclude the possibility of reporting to the Security Council on this matter," he said, "but I hope we don't have to come that point."

He did not specify what type of action the Security Council could take.

"I know that the members of the Security Council are keenly watching developments and we are keeping them quite well abreast," he said.

Hor Namhong Receives EC Envoys 6 Apr

BK0904091592 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 8 Apr 92

[Text] At 1600 on 6 April at the Foreign Ministry, His Excellency [H.E.] (Albert Mars), head of the EC delegation to the Supreme National Council [SNC], accompanied by Mr. (Rocardo Rawana), director general in charge of foreign affairs of the EEC, paid a courtesy visit and presented a copy of his credentials to H.E. Hor Namhong, foreign minister of the State of Cambodia and member of the Cambodian Supreme National Council [SNC].

H.E. Hor Namhong cordially and joyfully welcomed the ambassador and considered his assignment in Cambodia a contribution to promoting the relations between the SNC and the EEC. Taking that opportunity, he thanked the EEC for having, through various humanitarian organizations, rendered assistance to the Cambodian people. He said he hoped that the EEC would continue to help Cambodia. He also briefed his guests about the current situation in Cambodia, the process of executing the Paris peace accord, and the hardship suffered by the Cambodian people due to the war during the Lon Nol regime and, especially, devastation caused by the Khmer Rouge during their heyday.

H.E. (Albert Mars) said he was very pleased to have come to Cambodia and been accredited to the SNC. He was of the view that the UN presence in the country is vitally important and he highly valued the Paris peace accord as well. He further said that he had two missions in Cambodia, that is to present his credentials to the SNC to promote EEC relations with Cambodia and to [words indistinct] the repatriation of the Cambodian refugees. To further assist Cambodia, he said, the EEC would continue to send its experts to the country, and requested that Cambodia facilitate the mission of its experts in the country.

The meeting concluded in an atmosphere of mutual understanding.

CPP 'Unswervingly' Supports, Follows Sihanouk

BK0904100192 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 9 Apr 92

[Text] On the morning of 8 April, His Excellency [H.E.] Chea Sim, chairman of the Cambodian People's Party [CPP] Central Committee, of the National Assembly, and of the Kampuchean United Front for National Construction and Defense [KUFNCD] National Council, took part in the ceremony to offer food to Buddhist monks and dedicate the resulting merit to the ancestors on the occasion of the traditional New Year which was organized at the University of Fine Arts by lecturers and students of the university and presided over by His Venerable Supreme Patriarch Tep Vong.

H.E. Chea Sim said that the Cambodian people have been through many years of the destructive wars and suffered greatly under the Pol Pot regime which suppressed all ownership, religions, and democratic rights of the citizens. During the past 13 years, the CPP, KUFNCD, and SOC Government have revived every sector, especially the people's traditions, mores and customs, and the worship of Buddhism, by liberalizing the people's religious beliefs and restoring temples and monasteries. He went on to say that the CPP and SOC Government's policy of liberalizing the socioeconomic rehabilitation and development has won the active support of the masses, people, intellectuals, and experts from all avocations.

Concerning the implementation of the 23 October 1991 Paris peace agreement, H.E. Chea Sim made the following assessment: Thanks to the goodwill efforts of the CPP and SOC Government, the process of implementing this peace agreement has made rapid strides ahead and achieved positive results. He stressed that the elections to choose a president and a constituent assembly in 1993 must not put any coercion on democratic rights, meaning that the elections must be held freely and fairly to allow the people to select their own representatives.

H.E. Chea Sim added that the CPP unswervingly supports and follows His Royal Highness Prince Norodom Sihanouk and creates conditions for him to carry out his royal crusade as the cool shade to bring about reconciliation for the nation and peace for the people.

UNTAC Proposal on Freedom of Meeting Supported

BK0904071392 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 8 Apr 92

[Text] After meeting with the Supreme National Council [SNC] on 6 April, the UN Transitional Authority in Cambodia [UNTAC] issued a memo on the rights of the people, masses, and political parties to meet or gather. The memo mainly says: in consideration of the decision by the SNC working group at its 14 January 1992 meeting that the entire Cambodian people are guaranteed with freedom of association, freedom of movement, and press freedom, the UNTAC has proposed the following process:

1. Any individual, group, civilian, or religious association or political party that intends to hold meetings or to gather on public roads or places has to submit a notice to the SNC secretariat;

2. The SNC secretariat should immediately forward the notice to the UNTAC chief and administrative structure. The latter should allow for freedom of assemblage and ensure security for the participants at the meeting or gathering;

3. In case there is a serious problem affecting public order and in case the administrative structure concerned thinks that it is not competent to maintain public order and ensure security for the meeting participants, that administrative structure should however immediately inform the SNC Secretariat, which will in turn inform the UNTAC. The UNTAC will then make a final decision in conformity with the Paris accord; and

4. As for meetings or gatherings to be held at private places, notice is not needed as in the aforementioned case, unless the meeting or gathering organizers wish the administrative structure to ensure security for them.

The tripartite Cambodian national resistance forces wish to lend their support to the UNTAC proposal.

Aircraft Brings Ammunition to Kompong Thom

BK0504021092 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 4 Apr 92

[Text] Reports from Route 12 in Kompong Thom say that on 2 April the Vietnamese aggressors in Phnom Penh ordered an aircraft, a C-130, to take many types of ammunition including 60 mm and 82 mm mortar shells, B-40 rockets, and many cases of AK and AR-15 ammunition, to the Vietnamese aggressors at the headquarters of the 5th Division in Sala Visai on Route 12 in Kompong Svay District, Kompong Thom Province.

The report further says that once this ammunition and materiel arrived, they were passed on to and used by the Vietnamese aggressor forces to attack the resistance forces in the O Kroch, (O Pou), (Phum Smak), (Phum Mreak), and a number of other areas west of Route 12.

Is this not a flagrant violation by the Vietnamese aggressors of the 23 October 1991 Paris agreement? The people in Kompong Thom Province demand that the Vietnamese aggressors immediately stop violating the Paris agreement and demand that the UN Transitional Authority in Cambodia and the four Cambodian parties deploy control forces in Kompong Thom Province, particularly at the base of the Kompong Thom bridge immediately.

SRV Hiding Troops, Weapons in Kompong Thom

BK0904033092 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 8 Apr 92

[Text] According to reliable reports from the people, Cambodian soldiers, and resistance forces in Kompong Thom Province, after the meeting held by the UN Transitional Authority in Cambodia [UNTAC] and the four Cambodian parties in the provincial town on 1 April—during which it was decided that the cease-fire be genuinely executed in Kompong Thom and each party in the province be forced to withdraw to its initial positions—the Vietnamese aggressors and Phnom Penh have busily hidden their troops, cannons, and multiple-rocket launchers for the purpose of further slaughtering the Cambodian people and attacking resistance forces there.

As a matter of fact, they have:

1. moved a number of their troops from Division 5 stationed along Route 12 in addition to the others to hide in the jungles south of M'reak village, north of Chi Aok village, and along the upper bank of Prey Sraoh River. Along with this, the Vietnamese invaders ordered the 5th Division's intelligence unit to locate the people's villagers and the resistance forces' positions, then commanded their artillery and multiple-rocket launcher units to shell to destroy them; and

2. moved their troops from the second military region in Kompong Cham Province to hide in the jungles near Thnak and Damrei Slap villages. Those troops served as intervention forces in preparation to attack and retake liberated villages near (K'deak), Sramar, and Ta Chul communes.

The reports also said that the Vietnamese invaders in Kompong Thom had sternly ordered their troops to move 130-mm, 120-mm, D-30, and 85-mm cannons and BM-13 and BM-21 multiple rocket launchers that UNTAC and the four Cambodian parties had previously sighted at San Kor into hiding.

This is clear evidence that the Vietnamese aggressors have not abided by the 23 October 1991 Paris accord. They continue to carry out all kinds of maneuvers to destroy the accord with the intent of occupying Cambodia forever. The people in Kompong Thom wish to call on UNTAC and the four Cambodian parties to meticulously verify to make sure that the Vietnamese aggressor forces withdraw their cannons and multiple-rocket launchers from the province. This is to prevent the invaders from using them to further attack the resistance forces and to shell and kill the people.

France To Send 1,500 Troops 'Next Week'

BK0904091192 Phnom Penh SPK in French 0400 GMT 9 Apr 92

[Text] Phnom Penh 9 Apr (SPK)—"The recent attacks in Kompong Thom Province were premeditated by the Khmer Rouge," said General Ke Kimyan, first deputy defense minister of the State of Cambodia [SOC], when he recently received French Military Attache Colonel Toress in Phnom Penh.

Gen. Ke Kimyan informed his guest of the military situation since signing the Paris peace agreement last October, especially the efforts made to implement this agreement by the SOC faction in close cooperation with the UN Advance Mission in Cambodia (UNAMIC), and later the UN Transitional Authority in Cambodia (UNTAC), and the other Cambodian factions.

"However," the general stressed, "the Khmer Rouge, who so far have not yet given UNTAC any specific information either about the zones under their control or the areas where they had planted mines, have worsened the situation in Kompong Thom Province by occupying National Route 12 from Kompong Thom to Preah Vihear."

Gen. Ke Kimyan also talked of the recent attacks launched by the Khmer Rouge in the north of Siem Reap Province and the south of Battambang Province as well as their lie about the presence of the Vietnamese Armed Forces in Cambodia.

He thanked the international community, particularly France, for sending military personnel to Cambodia for the implementation of the peace plan concerning disarming and dissolving the Cambodian Armed Forces and mine clearance. He praised the restoration of the relations between Cambodia and France, interrupted following the advent of the Pol Pot regime in 1975.

For his part, the French military attache announced that his country would send within the framwork of the Paris agreement about 1,500 troops to Cambodia next week.

"A group of policemen, a battalion of paratroopers, some 40 demining specialists as well as planes and helicopters will arrive by the end of April," added the colonel who expressed hope for a rapid deployment of UNTAC to immediately end the cease-fire violations and create favorable conditions for disarming and dissolving the Armed Forces.

Five Thai Commercial Banks To Begin Operations

BK0704035592 Bangkok BANGKOK POST in English 7 Apr 92 p 17

[Text] Five more Thai commercial banks are to start operations in Cambodia next month.

The Cambodian government has amended its law to allow Cambodian citizens to use their immovable property as collateral against loans. The move benefits banks as their lending can be made against good collateral.

Cambodian central bank governor Chaliang Siriwong said the Cambodian government had approved the revision of the law last week.

Every day investors and brokers, among them many Thais, are seen in the Cambodiana Hotel seeking business opportunities.

Last Sunday Mr Chaliang chaired the opening ceremony of the Cambodia Farmers Bank (CFB), a second commercial bank in the country managed by Thai bankers.

Mr Chaliang said the central bank would suggest that the government remove all obstacles facing banking and economic development.

"Prime minister Hun Sen has also agreed with the plan to allow foreign companies to own land and other assets in Cambodia, in order to stimulate foreign investment here," said Mr Chaliang.

Mr Chaliang was sure that Cambodia would have long-term political stability. He said the Cambodia's People's Party led by the Hun Sen faction was expected to capture a majority of seats in parliament at next year's general election.

"The majority of Cambodians support the Hun Sen faction, which now controls over 70 percent of Cambodia. Last month, some of Hun Sen's opponents tried to boost their popularity by distributing US dollars to people in rural areas, but the people refused to accept the money. The phenomenon shows that Cambodians support our party," said Mr Chaliang.

"As there will be long-term political stability, foreign investors should believe me—their investment will be protected by the Cambodian Government," he said.

When the Communist Party governed Cambodia, all foreign assets were seized by the government, but under the democratic government foreign investors and private enterprise are encouraged by the government to do business, he said.

He said that up to now 42 foreign companies had been approved by the Cambodian Government, manufacturing consumer products such as detergent, powdered milk, soap, tapioca powder, cigarettes and liquor. There are seven renovated hotel projects.

On the banking system, he said the Cambodian Central Bank had already allowed five Thai commercial banks—Bangkok Bank, Thai Farmers Bank, Krung Thai Bank, Thai Military Bank and Siam City Bank—to open banks in Phnom Penh. They will all start operations in May.

He said the Cambodian Central Bank held 10 percent of the shares in all five new Thai banks, 10 percent in CFB and 30 percent in Cambodia Commercial Bank, a join venture with Siam Commercial Bank.

He said only Thai Farmers Bank had wanted to buy back the 10 percent shares held by the Cambodian Central Bank, offering five times over par value. But the central bank had not yet made a decision on the offer.

"So in May this year, Cambodia will have altogether eight new commercial banks—seven Thai and one Malaysian," said Mr Chaliang.

Before being taken over by the Communists, Cambodia had 22 commercial banks in Phnom Penh. He said the central bank would consider what was the appropriate number of commercial banks here this year, to suit the Cambodian economy.

To rehabilitate the country economically, Cambodia needed a huge number of international aid to invest in several infrastructure projects, road, water supply system and electricity, he said.

Mr Chaliang said the French government had recently provided 20 million francs of aid to the Cambodian government to invest in a 12 million franc electricity project and an 8 million franc water supply project.

WFP To Give Foodstuffs to Repatriated Refugees

BK0904062292 Phnom Penh SPK in English 0417 GMT 9 Apr 92

[Text] Phnom Penh SPK April 9—The World Food Program (WFP) has reserved 2,000 tons of husked rice and a good number of sardines and cooking oil for refugees repatriation in cambodia.

The plan which lasts 12 to 18 months would begin for early April, in which 100 families with 600 members are expected to settle down in Banteay Meanchey for the first phase, according to the province's Displaced People Committee.

Each of them would receive 20 kg of husked rice, one kilogram of cooking oil and 1.2 kg of sardine for 40 days it said.

Besides, the United Nations High Commission for Refugees (UNHCR) would supply them with construction materials and crop seeds to promote their living conditions.

Indonesia

Portugal Accused of Manipulating Dutch Aid Cut

BK0804104492 Jakarta ANTARA in English 0855 GMT 8 Apr 92

[Text] Jakarta, Apr. 8 (OANA/ANTARA)—Portugal has continuously tried to have a special hold over Holland so that the latter [words indistinct] Indonesia's decision to refuse its aid is not simply a bilateral matter, the Indonesian ambassador to the European Community (EC), Atmono Suryo, said here Wednesday.

The country keeps on trying to make Holland believe that Indonesia's decision should also become a matter of concern of the EC, he said after paying a call on the president to report the implementation of his tasks as an ambassador.

Indonesia on March 25 announced that it stopped receiving Dutch development assistance as The Hague frequently used the aid as an instrument of political intimidation.

Jakarta also demanded for the dissolution of the 24-year-old Intergovernmental Group on Indonesia (IGGI), the donor consortium led by Holland.

However, the Dutch Government has officially stated that the refusal was nothing but an Indonesia-Holland bilateral matter, Suryo said, adding that other EC members had also supported the Dutch Government's stance.

Portugal, former colonial ruler of East Timor, which now is Indonesia's 27th province, is the current chairman of the 12-member EC.

For years, the country has been desparately trying to make an issue over the decision of the East Timor people to integrate with Indonesia through what is known today as the 1975 Balibo Declaration.

Suryo, previously director general for foreign economic relations, Foreign Affairs Ministry, also quoted President Suharto as saying that "pebbles" standing in the way of Indonesia-Holland relations should be phased out.

On the setting up of the World Bank-led consultative forum between Indonesia and its donor countries/organizations to replace IGGI, Suryo said he was optimistic that the forum could be formed without too many difficulties.

The World Bank will be reluctant to tie political strings to the aid (?to be) provided, the ambassador said.

Holland through the IGGI scheme in the 1991/92 fiscal year provided aid of 91.3 million U.S. dollars, far behind the World Bank's 1,630 million U.S. dollars, Japan's 1,320 million U.S. dollars, and the Asian Development Bank's (ADB's) [amount indistinct] million U.S. dollars.

On EC's view about Indonesia, Suryo said they often received one-sided information about the implementation of human rights protection in Indonesia.

He called on the press and the legislators to explain Indonesia's position regarding human rights issues clearly.

Aggressive campaigns on the ways we uphold human rights will phase out negative reports about us, he said adding that next week in Brussels, Indonesia would fulfill the wish of the Foreign Political Committee of EC to give explanation about human rights protection in Indonesia.

West European countries, he went on, usually focus on four issues in Indonesia and (?other) developing countries—human rights, environmental protection, democracy, and market economy.

President Suharto, during the meeting with the ambassador, said human rights were not an issue in Indonesia as the state ideology Pancasila and the 1945 Constitution clearly guaranteed everybody's individual as well as social rights.

Potential Scenario for Spratlys Conflict Viewed

BK0804150092 Jakarta THE INDONESIA TIMES in English 31 Mar 92 p 2

[Editorial: "Blurred Perspectives on Spratly Archipelago"]

[Text] According to a recent information, there are four archipelagoes in the South China Sea. Known by its Western names in most maps, Spratly Islands, the biggest with 230 islands, reefs, shoals and cays, is, as has been reported in the press off and on, wholly or partly claimed by China, Vietnam, Malaysia, Taiwan, the Philippines and Brunei.

Soon after China passed a law on February 25 claiming ownership over the entire archipelago in the South china Sea and the right to use military force there, the other claimants in the region quickly issued their protest. There is a simple and classic reason for that, namely that the islands, islets and atolls straddle strategic sea lanes and are believed to sit atop vast reserves of fossil fuels.

The position of outside major powers in the dispute, however, appears somewhat ambivalent or uncommitted at best. A few days ago the Russian ambassador in Kuala Lumpur, preferring a peaceful settlement of the issue, said any use of force should be condemned.

Given its own present domestic problems, Russia understandably could hardly afford anything more than condemnation if armed conflict exploded in the area. The American ambassador in Manila was also apposed to the use of force "by any party" to back its claim on the Spratlys, but he added that the US "is not going to stand idly by if there was another threat to peace in this part of the world, particularly if it affects a friend of the United States."

Will the American Seventh Fleet rush to the scene? Not necessarily, according to the Pentagon.

Assistant Defense Secretary James Lilley said several days ago that the US had no specific commitment in the Spratlys and instead urged ASEAN to work with China to resolve the dispute over the archipelago. Now, for Malaysia cooperation with China in the Spratlys would be somewhat problematic in light of Beijing's continuous military build-up and especially after China warned that it would use force to defend its rights.

A hypothetical yet the next logical question would be whether Beijing intends to launch a general offensive or operate incrementally? Since 9 islands and reefs in the eastern part are occupied by the Philippines, 9 in the southern part by Malaysia, 24 in the western part by Vietnam, one by Taiwan, and only seven by China, a wise Chinese strategist would choose the latter option to avoid facing more than one front at a time.

But is such a war scenario likely to materialize? Well, one remembers the bloody armed incident between Vietnamese and Chinese gunboats in 1988.

As one Shanghai scholar has recently warned, the outbreak of armed clashes in the area was possible at any moment. We wonder whether he would agree that a few more seminars by the region's intellectuals on the issue might prevent renewed bloodshed.

List for 1992 Election Contains 2,271 Candidates

BK0804070692 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 8 Apr 92

[Text] Gunardo, deputy secretary general of the General Election Committee in charge of technical and administrative affairs, says that the General Election Committee will accommodate any objection raised by the people over candidates whose names have been announced in a permanent list of candidates. Answering questions by RRI [Radio Republik Indonesia] following the posting of the permanent list of legislative candidates for 1992 in front of the building of the General Election Committee in Jakarta this morning, Gunardo said that such letters of objection could be sent to the General Election Commiteee or provincial and district general election committees. The permanent list of legislative candidates for the 1992 general election contains 2,271 candidates, 12 less than in the provisional list.

According to the deputy secretary general of the General Election Committee in charge of technical and administrative affairs, stages of the 1992 general election have passed smoothly. Campaigning, which is the eighth stage, will start on 10 May and end on 3 June 1992.

Commander Removed From Post Runs for Governor

BK0804055992 Hong Kong AFP in English 0316 GMT 8 Apr 92

[Text] Jakarta, April 8 (AFP)—A former military commander of East Timor, removed from his post following the Dili massacre, is a candidate for the next governorship of the former Portuguese colony, a report said Wednesday.

The MEDIA INDONESIA daily quoted East Timor-born legislator Salvador Januario Ximenes Soares as saying Brigadier General Rudolf Samuel Warouw was among the six most popular names circulating in East Timor as candidates for the next governorship.

Current Governor Mario Viegas Carrascalao will end his second consecutive term in September. Under the law, a governor can be reelected only once and Jakarta has said it will not make an exception for Carrascalao.

Indonesian President Suharto in December removed Warouw, then the military's operational commander in East Timor, and his direct superior, Bali-based Major General Sintong Panjaitan.

Suharto said then that as military leaders both were responsible for the Dili massacre on November 12, in which scores of civilians died after Indonesian troops fired on a crowd of demonstrators.

Newspapers here have said Warouw was among three officers dismissed from the army as part of the sanctions announced by Army Chief General Eddy Sudrajat in February. The army has never confirmed the report.

Soares named Clementino Dos Reis Amaral, a ruling party legislator who is also a member of the official panel investigating the shooting, and Fransisco Lopez da Cruz, a member of the presidential advisory council, as among candidates favored for the governorship.

Soares said the three other popular candidates were a deputy governor and two heads of regencies in East Timor.

Carrascalao has said there was 15 candidates, 13 of them native East Timorese, listed to replace him, but he declined to name them.

Meanwhile the JAYAKARTA DAILY Wednesday quoted unammed sources in Dili as saying a 35-year old woman, alleged to be a member of the underground East Timorese pro-independence movement Fretilin, had surrendered to Indonesian military authoities in Bakau regency Thursday.

Jayakarta said the woman, who surrendered with her four-month-old baby, had told the military she was part of a force of some 40 Fretilin members hiding in the forests of the regency.

The military in East Timor have said four Fretilin members, whose names were not released, had turned themselves in to authorities in East Timor in the past three weeks.

The Fretilin have been fighting Indonesian troops since they entered the former Portuguese colony in late 1975.

Jakarta unilaterally declared East Timor its 27th province in 1976, but the United Nations still views Lisbon as its administrative power.

Philippines

Aquino Criticizes U.S. for Ignoring War Veterans

HK0904081492 Manila DZXL Radio Mindanao Network in Tagalog 0700 GMT 9 Apr 92

[By Rowena Papasin]

[Text] President Corazon Aquino severely criticized the United States today for continuously failing to recognize the services rendered by Filipino World War II [WWII] veterans.

During the ceremony commemorating Heroes' Day held at Mount Samat, Bataan, the chief executive said it was disappointing to learn how U.S. laws have failed to recognize the services rendered by Filipino WWII veterans in the U.S. Armed Forces. This, according to the president, is a grave injustice especially since 1 million Filipinos lost their lives in the various concentration camps and hidden torture chambers as American allies during WWII.

The president said although the Filipino veterans played an important role in the U.S. Armed Forces, it has become apparent that the United States only recognizes these veterans in words and not in action.

At the same time, the president has promised that her government will not let this day pass without trying to uphold the rights for which the Filipino veterans have been fighting for the past 46 years. She also stressed that until the United States gives benefits due the veterans, all the praises and accolades accorded by the United States to these veterans will remain futile and useless.

The president again forwarded to the United States a proposal for the creation of a Philippine-U.S. joint committee that would answer to the needs of the Filipino veterans. She has also instructed the Department of Foreign Affairs and the Department of National Defense to submit to her office within 30 days their initial reports on this matter.

During the ceremonies at Mt. Samat, the president, along with U.S. Ambassador Frank Wisner and Japanese Ambassador Hirokazu Arai, offered flowers at the foot of the shrine; after which the president and her entourage proceeded to the Morong Refugee Center in Morong, Bataan, and the Philippine National Oil Company Compound in Limay, Bataan. The last leg of her Bataan visit is her meeting with the various political leaders of the province.

Evacuation Plans Announced for Filipinos in Libya

HK0904053192 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 8 Apr 92

[Text] President Corazon Aquino has directed the Philippine Embassy in Tripoli, Libya, to evacuate Filipinos working within 10 km of oil refineries and other areas believed vulnerable to attack. Labor and Employment Secretary Nieves Confesor said, should a crisis occur, the workers will be placed on a ship that can carry 1,000 people. They will be taken to Malta, Tunisia, and Egypt.

Confesor said the 20,000 Filipinos working in Libya are opposed to moves to return them to the Philippines, as they discount the possibility of a war should the United Nations implement its air and arms embargo against Libya. The sanctions are scheduled to be enforced 15 April, as long as Libya obstinately refuses to turn over its two nationals believed to be involved in the bombing of two planes which killed 1,000 people.

Amnesty for Illegal Workers in Israel Sought

HK0704092492 Manila DZXL Radio Mindanao Network in Tagalog 0700 GMT 7 Apr 92

[Text] The Philippine Government has asked the Israeli Government to grant amnesty to Filipinos working illegally in the country.

The Department of Foreign Affairs said that Ambassador Amante Manzano, our representative to Tel Aviv, continues to support Filipinos in Israel.

Prior to this, Filipino workers in Israel petitioned for the dismissal of Manzano as the country's ambassador to Tel Aviv. The workers, in a petition they filed with President Aquino, said that it was Manzano who brought their illegal status to the attention of the Israeli Government.

A total of 3,000 Filipino workers are in Israel.

Extortion Attempt Causes Businessmen To Leave

HK0804025792 Manila PHILIPPINES NEWSDAY in English 8 Apr 92 p 3

[By Dario B. Agnote]

[Text] Six Japanese business executives of a porcelain firm here in Manila hastily left the country Sunday after receiving six extortion letters allegedly from the urban communist guerillas.

A senior military intelligence officer said the six Japanese business executives who left the country by air two days ago were led by one Tadashi Kawamora. The names of the five other executives of the Noritake porcelain company were not made available.

The Camp Aguinaldo official furnished NEWSDAY with a one-page letter dated March 13, 1992 signed by alleged Alex Boncayao Brigade (ABB) chief Sergio Romero. Romero is the nom de guerre of Nilo de la Cruz. The letter, written on short bond paper, bore the insignia of the Alex Boncayao Brigade on its upperleft-hand corner. The ABB is the urgan guerilla unit of the communist New People's Army (NPA).

The letter, the latest of the six "solicitation letters" sent by the ABB command to Noritake this year, was addressed to the general manager of the Noritake firm, located along J. P. Rizal Street, Concepcion in Marikina.

The letter sought "financial contributions" from the Japanese-owned Noritake firm.

"We never had second thoughts in approaching you because we are familiar with the extent of your assets and resources," said the letter.

Romero said in the letter that within the next two weeks the ABB would send "emissaries to solicit financial contributions from you (executives)."

"You will easily know that the people who will approach you are our authorized representatives because you know who the nationalists in Marikina are." the letter said.

Marcoses Defer Burial Arrangements to Government

HK0804025392 Manila BUSINESS WORLD in English 8 apr 92 p 12

[Text] The Marcoses yesterday handed over to Malacanang the burden of transporting the remains of the late President Ferdinand Marcos from Honolulu to Laoag City.

Acting through lawyer Antonio Coronel, the Marcoses made such arrangements to dispel any claims that the body will be used for political purposes and paraded by the Marcoses.

"Since the Marcoses are acceptable to all the conditions that Malacanang imposed on the return and burial of the remains, we had thought all along that the controversy on the matter has been laid to rest," Mr. Coronel said.

However, the Marcoses' legal counsel noted they are wondering why there should be any further discussion on the matter considering that the Marcoses already conformed to the conditions imposed by Malacanang.

"All the Marcoses want is a simple dignified interment without any pomp or ceremony," he said.

Moreover, the Marcoses have their own ideas on how to respect their dead, he added.

And to avoid any issue on political gimmickry, Mr. Coronel said, the Marcoses are willing to hand over to the Government the task of making the funeral arrangements for the late President.

Executive Secretary Franklin Drilon is slated to meet with top national security officials to prepare for the impending return to the country of the remains of former President Marcos.

Speaking to Palace newsmen following the Palace's receipt of a letter from Marcos legal counsel Antonio Coronel, Press Secretary Horacio Paredes noted that the missive, in compliance with Government's condition requiring Mr. Marcos's burial to be officially coordinated, details the family's plan to have the late Chief Executive flown directly to Ilocos Norte from Hawaii.

As enunciated by Mr. Paredes, Mr. Drilon will formulate with Defense Secretary Renato de Villa, Interior and Local Governments Secretary Cesar Sarino, and Armed Forces Chief of Staff Gen. Lisandro Abadia, guidelines ensuring both the Marcos family's compliance with state conditions for Mr. Marcos' interment and the maintenance of public order and safety in the process.

Apparently, the Palace continues to be wary former First Lady Imelda Marcos will use her late husband's wake for political purposes, particularly to propel her presidential bid, Mr. Paredes indicated.

Although the official did not disclose when the meeting will be held, a high-ranking Palace official argued that Mr. Marcos' prospective burial will likely be tackled in today's meeting of the Cabinet Cluster E on national security and political affairs.

Corpse Allowed Back After Election

HK0904050292 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 9 Apr 92

[Text] The corpse of former President Ferdinand Marcos will be allowed back into the country after the May election. This was confirmed by Executive Secretary Franklin Drilon as being the final decision on the matter by the Aquino Government. Drilon said they believe allowing the return of the corpse before the election will only cause havoc. He said the situation at present, just before the election, is too tense. He acknowledged that the Marcos family's first letter mentioned the plan to bring the corpse back this Sunday. However he reported that the National Security Council has said the country must deal first with the matter of law and order before anything else. He said the Marcos family will have to wait eight weeks to bring the body back.

Meanwhile Press Undersecretary Horacio Parades said that Bongbong Marcos was told last night of Malacanang's decision on the matter. Bongbong had spoken with Drilon last week, during which he was told Malacanang would announce its decision soon. Paredes said the government is prepared to take to the Supreme Court the matter of postponing the return of the body until after the election.

However the Marcos family insists it will bring the body back, despite the Aquino Government's decision. Marcos lawyer Dean Antonio Colonel says the decision to postpone the return of the body is an unlawful order.

[Begin recording in English] ...no legal implications. Everybody, the entire population, knows that we are doing the right thing. [end recording]

25 UK Air Traffic Controllers Assume Operations

HK0904043292 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 8 Apr 92

[Text] British air traffic controllers will be replacing the Filipino air traffic controllers who are continuing their strike. Twenty-five British air traffic controllers arrived in the country yesterday. According to Department of Transportation and Communications [DOTC] Secretary Nicomedes Prado, the foreigners will not be paid.

In this connection, it has been reported that the DOTC will hire 100 new recruits to be trained by the foreign air traffic controllers. The Britons will remain in the country while their services are required, as part of the government's contingency plan.

Meanwhile, members of the Philippine Air Traffic Controllers Association [PATCA] are continuing their strike despite the government's appeal for them to return to their posts. The PATCA members are asking the government to allow their cooperative to be the one collecting air traffic control charges.

Use of Foreigners Opposed

HK0904074492 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 0400 GMT 9 Apr 92

[Text] There is no change in the strike of the air traffic controllers. Paul Pilapil, head of the Philippine Air Traffic Controllers' Association, said at present no solution has been found to the problem. But he made a statement about the foreign air controllers allowed into the country by the government.

[Begin recording] Even if they are British air traffic controllers—even if they're American—allowing them into the Philippines goes against the international civil organization's standard requirements. We have repeatedly stressed that licensing and ratings are required. Before one can work as an air traffic controller, a license is needed which is validated yearly. As for the ratings, we have found that these Britons have no ratings. [end recording]

Pilapil related what happened yesterday at the air control tower taken over by a retired British air traffic controller.

[Begin recording] I was shocked. When he put the ear piece on, he placed it incorrectly because he did not know that type of ear piece. Then he pressed one of the radar control knobs, causing two data items on the screen to merge. He said, "Oh, that's magic!" All of which proves that he didn't have a clue about the equipment which seems to be new for these retirees, who are old." [end recording]

Meanwhile P10 million [Philippine pesos] in revenue has been lost at the Ninoy Aquino International Airport because of the air traffic controllers' strike, according to the Department of Transportation and Communications [DOTC] which says almost P2.5 million are being lost daily because of the loss of international flights. Philippine Air Lines has lost P30 million thus far. But the DOTC denies reports that safety is at risk because of the use of foreign air traffic controllers. DOTC Acting Secretary Nicomedes Prado said foreign airports often utilize the expertise of foreign technicians.

Slowing Economy, Lower Prices Reduce Oil Bill

HK0304033292 Manila MANILA BULLETIN in English 2 Apr 92 p 1

[By Ellen S. Marcelo]

[Text] The Philippines' oil bill dipped by 15.1 percent to $1.53 billion last year on account of low demand in a recessionary economy and softening crude prices in the international market.

The Office of Energy Affairs (OEA) in a report released yesterday said that the net imports of crude and crude products declined to 81.63 million barrels from the previous year's 84.52 million barrels.

The 3.4 percent decline in importations reflected the slowdown in domestic market demand as consumption of petroleum products dropped from 85.48 million barrels to 82.76 million barrels last year.

The average crude import cost during the year was also 13 percent off from $21.45 per barrel in 1990 to $18.65 per barrel. Cost of crude oil from the Middle East, where the bulk of the country's requirements came from, was 12.3 percent lower than those procured from the Far East region.

The OEA reported that the Middle East accounted for 60.38 million barrels of the volume imported last year. This was 7.9 percent lower than the 65.53 million supplied by the Middle East in 1990 to the Philippines.

Saudi Arabia provided close to 50 percent of the entire imports during the period, amounting to 34.68 million barrels. Iran and Dubai, on the other hand, accounted for 14.7 percent and 12.9 percent, respectively, as acquisition from Iran and Kuwait was disrupted by the Gulf war.

Importation of crude oil from other countries outside the Middle East, led by Malaysia and Brunei, grew by 11.7 percent to 16.27 million barrels in 1991.

Domestic crude liftings, however, went down by 32.3 percent to 1.16 million barrels from 1.72 million barrels, the OEA said.

These brought the gross supply of crude oil and crude products to 91.06 million barrels last year.

Consumption, on the other hand, showed downtrend particularly during the first half of the year. Although the level picked up in the second semester of 1991, the year-end usage still dropped by 3.2 percent to 82.76 million barrels.

Army To Use Tactics Employed in Vietnam War

HK0204133192 Manila Manila Broadcasting Company DZRH in Tagalog 1100 GMT 2 Apr 92

[By Rodney Jaleco]

[Text] The Philippine Army [PA] will employ some of the tactics it used during the Vietnam War, where it sent a contingent of Filipino soldiers. Major General Arturo Enrile, PA chief, said that they will be launching a FILCAG [expansion unknown]-type operation to end the threat posed by New People's Army [NPA] rebels in the Cordillera region.

This tactic involves the construction of fire bases on top of mountains to give artillery support to any point in the region, especially during bad weather when helicopters cannot take off. It also involves implementation of civic action projects such as free medical services and infrastructure projects to be carried out by the Army Engineering and Construction Battalion.

In line with this, Brigadier General Rene Dados of the 702nd Infantry Brigade has launched task force "Do Good," tasked with executing civil military projects in the Mountain Province.

Enrile said that these activities aim to show the flag in far-flung areas like the Cordilleras. However, Enrile admitted that these efforts are merely temporary and should be followed by true progress in order that the NPA may have no issue to fight for.

Red Scorpion Group Said Financing NPA

HK0204131792 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 2 Apr 92

[Text] It is believed that Leopoldo Mabilangan alias Comrade Hector, leader of the New People's Army's [NPA] Melito Glor Command, is receiving financial support from the Red Scorpion Group [RSG]. This was revealed by intelligence officials based on documents that were seized from an RSG safe house.

Among the seized documents was a letter from Mabilangan addressed to Alfredo de Leon, the leader of the RSG. In the letter, Mabilangan admitted that he was receiving money from the RSG and that he wanted to borrow more funds to finance the business of his family.

Regional NPA Leader Killed, Two Others Arrested

HK0304094592 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 3 Apr 92

[Text] A New People's Army [NPA] commander was killed, while two others were arrested when members of the Seventh Division of the Philippine Army [PA] chanced upon their camp in Barangay Diamani, Dintapulao, Aurora yesterday.

The slain communist leader was identified as Delfin Buencamino, alias Comrade Berting, the leader of a rebel strike force operating in Baler and Dintapulao, Aurora. Those arrested were Cesar Briginon, alias Comrade Olive, the communist movement's number-four man in the region, and Jose de Loria, a councillor of Barangay Diamani.

According to Brigadier General Rolando Soriano, commanding general of the PA's Seventh Division assigned at Fort Magsaysay, Palayan city, his men, under the leadership of Lieutenant Josefino Manayaw, were able to retrieve an M16 and an M14 rifle, several rounds of ammunition, a Russian-made pocket computer, an ICOM [expansion unknown] radio, and documents outlining important covert operations of the NPA in the province of Aurora. Government troops were also able to seize 20 grams of methamphetamine and three truck loads, 30,000 board feet, of illegally cut logs.

The soldiers responsible for the death of Buencamino and the arrest of his two colleagues were on a test mission which was part of a military exercise being conducted at Fort Magsaysay. Manayaw and his men were awarded medals of valor for overrunning the communist camp.

Poll Body To Deploy Men in NPA-Controlled Areas

HK0604095092 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 6 Apr 92

[By Rey Sibayan]

[Text] The Commission on Election [Comelec] is scheduled to deploy more soldiers and policemen to protect candidates campaigning in areas controlled by the New People's Army

[NPA]. According to Comelec Chairman Christian Monsod, security should be distributed equally among candidates who will be campaigning in NPA-infested areas. He added that candidates should coordinate with the officials of the Philippine National Police [PNP] and the Armed Forces of the Philippines [AFP] on the deployment of forces in NPA-infested areas. However, Monsod stressed that despite this move, the Comelec still prohibits candidates from having additional bodyguards.

[Begin Monsod recording in English] As long as they treat the candidates equally, these candidates are entitled to what you would call area security where they are campaigning. So, this is one of the measures being taken by the PNP. And, as long as they adhere to the guidelines of legal protection, that is within the authorities of the PNP and AFP, we will provide such protection. [end recording]

Abadia: Military Has 'Neutralized' Muslim Groups

HK0204131692 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 2 Apr 92

[By Josette Olivera]

[Text] General Lisandro Abadia, Armed Forces of the Philippines [AFP] chief of staff, has said that the AFP has neutralized the Moro National Liberation Front [MNLF], Moro Islamic Liberation Front, and their break away groups. This, according to Abadia, has induced many of their members to turn to common criminal activities such as kidnapping, extortion, and theft.

The general added that Nur Misuari, the leader of the MNLF who is still in the Middle East, continues to fail in his efforts to solicit the support and recognition of the Islamic Conference Organization.

Thailand

Evacuation Plan for Workers in Libya Formulated

BK0804015292 Bangkok BANGKOK POST in English 8 Apr 92 p 6

[Text] The Ministry of Interior has formulated a three-step evacuation plan for Thai workers in Libya, in case of an emergency.

The first step calls for the transfer of Thai workers to safe camps in Libya, said Benchakun Makaratat, deputy permanent secretary, yesterday. This will cost the ministry about 98 million baht, he added.

The second measure, which would be implemented if the situation worsened, would be to move the workers to neighbouring countries, such as Egypt or Tunisia. This would cost some 154 million baht, Mr Benchakun said.

The third option would be taken if the other two measures are not considered adequate for the safety of the workers, he said. In such a case, the workers would be brought back to Thailand, he said, adding that it would cost about 300 million baht to do so.

He said that employment agencies which sent the workers to Libya will have to bear evacuation costs. A meeting is scheduled today between representatives of the agencies and Interior officials.

Mr Benchakun said he would propose the setting up of an ad hoc committee comprising representatives of Foreign Affairs, Public Health, the Labour Department and the Budget Bureau to coordinate implementation of the evacuation plan.

The deputy permanent secretary went on to say that the workers could not be forced to return home if they didn't want to.

The evacuation plan will be broadcast to the workers through the BBC and Free Asia Radio.

Meanwhile, Mrs Amphon Chunnanon, acting deputy director-general of the Skilled Labour Development Department, said that the evacuation plan is similar to the one formulated two years ago to assist Thai workers in the Middle East.

She said she didn't expect any problems in carrying out the plan.

Burma Said Holding 120 Thai Workers Hostage

BK0704112992 Bangkok NAEO NA in Thai 7 Apr 92 pp 1, 14

[Text] According to a correspondent's dispatch from Mae Hong Son Province received on 6 April, the situation along the Thai-Burmese border has been tense since Burmese troops closed the border pass at Huai Tonnun village, Tambon Mae Ngao of Khun Yuam District, on 3 April. The border pass was formerly used for logging transport. The Burmese troops strictly prohibit both vehicles and people from crossing the border. The number of Thai workers being held in Burmese territory by the Burmese troops has increased from six to 120 with 23 vehicles impounded. However, the Thai workers continue to work as normal under close surveillance to prevent them from fleeing back to Thailand.

Meanwhile, Ranger Unit No. 36 in Mae Sariang District has dispatched a number of men to the border area at Huai Tonnun village to prevent untoward incidents.

The Burmese troops are reportedly holding the Thai workers to increase their bargaining power in negotiating with the Thai side for compensation for the damage that resulted from the heavy clashes at Doi Saeng village in Pa Mapha Subdistrict on 16 March during which Thai aircraft were sent to bombard their camps. The Burmese side suffered heavy casualties and demands that the Thai side pay 20,000 baht for each soldier killed. Moreover, the Burmese suspect that the Thai workers in collaboration with the Karen are responsible for burning some

10,000 logs inside Burma. The Burmese also want the Thai side to pay for this damage.

However, the reason for the Burmese troops holding the Thai workers is that they want to use the latter as hostages or a bargaining tool to prevent the Thai troops from obstructing their suppression operations against the Karen, which may result in intrusions into Thai territory. Meanwhile, the Burmese troops stationed opposite Sop Moei District are reportedly launching operations aimed at capturing [Karen leader] General Bo Mya's stronghold. With artillery shelling, some Burmese troops have crossed the Moei River into Thai territory to attack Gen. Bo Mya's position from behind.

Burmese Still Occupy Border Village

BK0804014492 Bangkok BANGKOK POST in English 8 Apr 92 p 6

[Text] Chumphon—Thai forces in this southern province have been trying unsuccessfully to persuade Burmese forces to leave Ban Santi Nimit, a border village in Tha Sae District.

Burmese troops have occupied the village since February 18 and troops of the 101 Battalion have installed heavy guns on Hill 491, which is about one kilometre inside Thailand, a Border Patrol Police source said.

Hill 491 is about two kilometres west of Ban Nimit, where Thai villagers who used to live in the area were evacuated to for their safety as the Burmese forces said that the site belongs to Burma.

They insisted they were staying on Burmese territory and wanted to provide security to the Salwin Timber company from Thailand which has a logging concession inside Burma via a pass in that area.

Negotiations conducted by Thailand's Regional Comittee for the Thai Burmese Border for the withdrawal of the Burmese forces were unsuccessful, the report said.

"They have installed mortars and recoilless rifles. And they are likely to stay here permanently. Border Patrol Police, who are outnumbered, are reluctant to drive them out of Thai territory," a border official said.

Fire on Thai Reconnaissance Planes

BK0904024592 Bangkok THE NATION in English 9 Apr 92 p A4

[by Somchit Rungchamratratsami]

[Text] Mae Sot—The Burmese Army fired on two Thai F-5E reconnaissance planes which were patrolling along the Thai-Burmese northern frontier yesterday but the aircraft returned safely to base.

While the attacks from the Burmese border town of Myawaddy did not harm the pilots or the aircraft, it panicked about 200 Thai villagers of Ban Rim Moei into fleeing for safety.

Local Burmese authorities when contacted for clarification said their superiors were absent and could not comment on the incident.

Thai officers said Burmese troops in Myawaddy fired about 60 machinegun rounds around 11 am at the two planes which were on patrol duty at the border.

Nobody was hurt and the aircraft returned to base, unscathed from the incident, they said.

Meanwhile, the Burmese Army launched a new heavy offensive against Karen guerrillas and tried unsuccessfully to lay siege to the Karen headquarters from Thai territory.

The assaults on Norhta camp, which is 17 km south of the Karen headquarters of Manerplaw, began on Monday with artillery shells.

The next day the Burmese forces tried to sneak into the Thai village of Ban Mae Tun, which is opposite Northa camp, but were beaten back by Thai forces.

Thai border patrol police sources said they intercepted a radio message that reported 11 Burmese killed and 98 wounded in the clashes, while the Karen lost two fighters with four injured.

The sources added that the Karen captured a large number of Burmese arms and ammunition including 20,000 rounds of machinegun shells, four M-79 rocket launchers with 30 rockets, among other items. About 10 mortar shells landed on Thai soil, according to the sources.

Citing intelligence reports, the sources said about 1,000 Burmese troops had recently tried crossing the Moei River into Thailand but were expelled.

Thai officers believed the Burmese would renew their attempts to capture Manerplaw.

Suchinda Gives Up Military Command Position

BK0904021392 Bangkok BANGKOK POST in English 9 Apr 92 p 3

[Text] With tears streaming down his face, Gen Suchinda Khraprayun said yesterday he had to swallow his pride and go back on his word "for the sake of the country".

In an emotional farewell speech to a gathering of some 500 military officers led by acting Army chief Itsaraphong Nunphakdi at the Army Auditorium, Gen Suchinda said he had never expected to be appointed the country's 19th prime minister.

Despite his repeated declaration that he would not accept the premiership, the general said, "I had to go back on my word. But for the sake of the country, it might be necessary to break one's promise and swallow one's pride."

Gen Suchinda, who appeared before the gathering in a civilian suit, asked the officers not to worry too much about him now that he is prime minister and has to face all kinds of criticism and trouble.

"I've decided to face whatever happens. Please, my brothers, don't worry about me. Just consider me one of the people who have been given the duty of a prime minister," he said.

Gen Suchinda said he decided to leave the Army for the premiership because he was positive the Army would remain strong without him.

He added that the Army under new commander-in-chief, Gen Itsaraphong, would be as strong as when he was in command.

The two generals are brothers-in-law.

Under the Constitution, permanent government officials are required to resign their posts before assuming political positions.

Gen Suchinda, who had also described his appointment as Army commander-in-chief in 1990 as "unexpected", told the officers he would continue to cherish the Army's prestige and honour.

The new premier said it had been his intention to resign as Army commander-in-chief when he was appointed supreme commander last December to create promotion chances for fellow officers.

But he had to hold both posts against his own wish to keep just one because Gen Itsaraphong, his friends and junior officers had insisted that he take them both, the general said.

Gen Suchinda said he had planned to resign as Army commander-in-chief on the first of last April but had to hang on for "certain" reasons.

The general added that later he had planned to step down from both positions in September this year.

The newly-appointed prime minister yesterday received diplomats from 51 countries and military attaches from 16 countries who showed up to congratulate him at the Army Auditorium.

Gen Suchinda described their visit as "a matter of protocol with no political significance".

Senior armed forces and police officers also called on Gen Suchinda to congratulate him yesterday.

Among them were Air Force chief ACM [Air Chief Marshal] Kaset Rotchananin, Navy chief Adm Wichet Karunyawanit, acting Army chief Gen Itsaraphong and Police chief Gen Sawat Amonwiwat.

Meanwhile, the military is organising a parade to congratulate its former chief at the 11th Infantry Regiment in Bang Khen today.

The event is being organised by the new First Army Region commander, Lt-Gen Chainarong Nunphakdi, a relative of Gen Isaraphong.

ACM Kaset, who has been nominated to replace Gen Suchinda as supreme commander, will preside over the event scheduled for 2:00 p.m. today.

Later, at 6:00 p.m., the military will host a farewell dinner for Gen Suchinda at Suan Ampon Gardens.

Army Ready To Support Suchinda

BK0904075692 Bangkok Radio Thailand Network in English 0000 GMT 9 Apr 92

[Text] Acting Army Commander in Chief General Itsaraphong Nunphakdi said the Army is ready to support newly-appointed Prime Minister Suchinda Khraprayun whom he said has made a lot of sacrifices throughout the years. General Itsaraphong said demonstrations against the appointment of General Suchinda as prime minister do not worry him as the appointment was made in line with the democratic process. He said General Suchinda has received expressions of trust from all forms of mass media both inside and outside the country. Therefore, he believed that everybody will cooperate in pushing for the progress of the country.

Gen. Itsaraphong, who is also the outgoing interior minister, said he wants to see the new interior minister continue his major policies to ease the people's hardships and bring about happiness to the majority. He said the drought problem should be solved urgently by the new interior minister to alleviate the plight of the rural people.

Suchinda on Cabinet Selection; Names Secretary

BK0804140492 Bangkok Army Television Channel 5 in Thai 1230 GMT 8 Apr 92

[Text] General Suchinda Khraprayun spoke to newsmen today after receiving diplomats and military attaches who called on him to extend their congratulations on his appointment as prime minister. The prime minister said the congratulations by foreign officials can be regarded as foreign recognition of him as prime minister.

Gen. Suchinda also disclosed that he has appointed Khosit Panpiamrat, the deputy agriculture minister in the previous government, as his secretary general.

[Begin recording] [Suchinda] Congratulations extended by foreign diplomats amounts to their recognition of myself. The significance of their call is not that great, it is a matter of diplomatic etiquette.

[Unidentified correspondent] Did you have a special conversation with the Burmese ambassador?

[Suchinda] No, there were no special discussions.

[Unidenfied correspondent] Did you give any instruction on selection of cabinet ministers to the leaders of the five coalition parties during the meeting with them?

[Suchinda] I gave them broad guidance, saying that the government under my leadership, the new government, will be the focus of attention from all sides, including people and the opposition parties, and therefore the selection of cabinet ministers will have to be given great care by the coalition party leaders as far as the new government's reputation is concerned.

[Unidentified correspondent] Did you set a quota of ministerial portfolios for the coalition parties?

[Suchinda] That matter is for the party leaders to decide among themselves; it is not my duty to set quotas.

[Unidentified correspondent] How many outsiders will be in the cabinet?

[Suchinda] I cannot answer that now; it will depend on discussions in the final stages. But we will try to use outsiders only in important economic and security positions.

[Unidentified correspondent] [Passage indistinct]

[Suchinda] I gave a policy to the party leaders to the effect that they are to try to select reputable persons.

I will give you a piece of new information. Khosit Panpiamrat has been appointed my secretary general. [end recording]

Candidates for New Cabinet Viewed

BK0904014192 Bangkok BANGKOK POST in English 9 Apr 92 p 1

[Text] The leaders of five political parties met last night to work on the new Cabinet lineup which is most likely to include politicians who have been declared unusually rich by a military-appointed investigation panel.

The Samakkhi Tham [STP], Chat Thai, Social Action [SAP], Prachakon Thai and Ratsadon leaders, however, failed to settle on a conclusive agreement on the entire lineup and agreed to meet again to settle contentious portfolios.

Prime Minister Suchinda Khraprayun, after consulting with the politicians over lunch at the Army Hall yesterday, said that he expected the new Cabinet list to be ready for announcement during the Songkran Festival from April 12-14.

He declined, however, to comment when asked if politicians declared unusually rich would be included in the lineup, saying that he has yet to discuss this with political parties involved in formation of the next coalition.

Reliable sources in the alliance told the BANGKOK POST that the five political parties had previously agreed on Cabinet seat allotments, but had to renegotiate some key portfolios after they opted to throw their support for Gen Suchinda in place of STP leader Narong Wongwan.

The STP originally agreed to take charge of agriculture, industry and a deputy prime minister post, but changed its mind to negotiate for communications after Mr. Narong sacrificed the PM post to Gen Suchinda.

The STP wanted Chat Thai to instead take charge of agriculture, the sources said.

They said Mr Narong, a former agriculture and cooperatives minister, this time preferred to oversee the communications portfolio and has expressed no wish to return to the Agriculture and Cooperatives Ministry.

It was finaly agreed after last night's meeting, however, that the communications portfolio will go to Chat Thai leader ACM [Air Chief Marshal] Sombun Rahong while Mr Narong agreed to accept the agriculture minister post.

Chat Thai will retain an additional responsibility over the Foreign Ministry.

It has been widely speculated that Chat Thai advisory chairman Praman Adireksan will not assume any Cabinet responsibility but will give way to his son, Pongpol, who has been tipped as a possible new foreign minister.

SAP has been tipped to take the commerce portfolio, among other Cabinet seats already under its quota.

The sources said Social Action Party leader Montri Phongphanit, deputy Chat Thai leaders Sanoh Thianthong and Watana Atsawahem, against strong opposition from the National Peace-Keeping Council chairman, are expected to be reappointed to the Cabinet.

The three are among a number of former Cabinet ministers in the Chatchai Chunhawan government who were investigated and later declared unusually rich by a panel appointed by the NPKC.

The NPKC, in staging the coup d'etat on February 23, cited widespread corruption among ministers as one of the reasons.

The sources said Mr Montri, under the negotiations, is expected to be made a deputy prime minister while Mr Sanoh is expected to be made a PM's Office minister and Mr Watana a deputy minister.

The lineup is expected to include at least seven non-elected persons.

It has been reported that acting Finance Minister Suthi Singsane has been tipped to be appointed, along with other persons such as leading economist Wiraphong Ramangkun and ex-auditor-general Thawi Nunpakdi, to assume responsibilities in the Cabinet under Gen Suchinda's quota.

However, this still cannot be confirmed.

Sources claimed Mr Suthi was invited to meet with Gen Suchinda yesterday to discuss the former's possible appointment as deputy prime minister in charge of financial matters but this was declined by Mr Suthi.

Dr Wiraphong who has been tipped to be made MP's Office minister in charge of energy reportedly left for Singapore and may not return until after the new Cabinet is announced.

Mr Thawi who was widely speculated to be made finance minister publicly stated yesterday that he will not accept a Cabinet post in the next government because he is already 64 years old and has never thought of assuming a Cabient post under a non-elected premier.

The sources commented that Mr Thawi's refusal may force Gen Suchinda to opt for former central banker Supachai Panitphakdi as the new choice for the finance minister post. The former Democrat Party member is now president of the Thai Military Bank.

Gen Suchinda said that he had told party leaders during yesterday's luncheon to think about the Government's image in selecting the new Cabinet lineup, because they are being watched by the Opposition and the people.

Paper on Need for Credible Members

BK0904021792 Bangkok BANGKOK POST in English 9 Apr 92 p 4

[Editorial: "Cabinet Members Must Have Proven Integrity"]

[Text] Despite the passing years which have brought significant changes to social, economic and political landscapes, the Thai political saying that there are no true friends or permanent foes in politics, just mutual interests, has once again proven itself to be timeless and true. The "marriage of convenience" between the Samakkhi Tham-led pro-military alliance and the National Peace-Keeping Council [NPKC] in perpetuating the power of the military junta in the new administration is the latest case in point and one which has further enhanced the credence of this saying.

If the appointment of Gen Suchinda Khraprayun, an outsider, to be Thailand's 19th prime minister constitutes a national letdown for all democratic aspirants, the likelihood, if it materialises, of some of the ministers of the deposed Chatchai Chunhawan administration who were declared "unusually wealthy" joining the new Cabinet would be even more a matter of grave concern and a disgrace. The statements made by Gen Suchinda and Army Chief-of-Staff Gen Wirot Saengsanit, both members of the NPKC, which implied that these "tainted" ministries could be included in the Cabinet because they have not been convicted by a court are appalling.

It is, indeed, a tragic irony that a little over a year ago the same group of persons who branded these former ministers a bunch of corrupt people and had their assets frozen and put them under investigation for being unusually wealthy are now rushing to their defence and appear about to become comrades-in-arms and sail together in the same ship of state. Of course, time changes perspectives and people change too. But the 180 degree about-turn in attitude by the NPKC members over the issue of the allegedly corrupt ministers, cited as one of the prime reasons to justify the junta's February 1991 coup d'etat, cannot—and will not—be accepted by anyone who still has a conscience, if not the power, to judge black from white, right from wrong.

Except for NPKC chairman Gen Sunthon Khongsomphong who has clearly stated his view that the former ministers who were declared unusually rich by the NPKC-apointed Assets Examination Committee should be excluded from the Cabinet, the opinion held by the other council members could be interpreted as meaning that so long as there is no court verdict proving someone guilty as charged, an accused corrupt official, an accused murderer or an accused narcotics traficker remains eligible for ministerial posts. Just like the famous quotation by China's paramount leader Deng Xiaoping which says "it does not matter whether it is a black or white cat, so long as it catches mice".

If this turnabout means that the NPKC men have begun to recognise the rights of the individual and to regard this as more important than the question of honestry and the credibility of the new adminstration which will be at risk with the inclusion of unusually wealthy figures in the Cabinet, then such an unlikely change of attitude, if genuine, could earn a few plaudits for its liberal approach. Sad though that such treatment was not extended to the failed prime minister-nominee, Narong Wongwan of the Samakkhi tham party. The twist of words and the reversal of attitudes on such a matter of principle as honesty raises a question mark as to whether it is still worth the money and energy to carry on teaching our younger generations to be honest, ethical, patriotic and have self-respect since these qualities are scarce among our ruling elite.

Against the discouraging turn of political events, it is to be hoped that there is still some conscience left in the powers-that-be. Though they have shown scant regard for the people's democratic aspirations, they should at least try to look beyond their self-interests with an open eye and a clear mind by not including in the government any individual whose credibility, especially as far as corruption is concerned, is in doubt.

The country is in need of a good government which is clean and effective. National administration is not a private domain for an exclusive clique or for someone unacceptable to the public or whose credibility is at stake to fool around in—even for a short while.

Suchinda's Political Support, Image Viewed

BK0804033792 Bangkok THE NATION in English 8 Apr 92 pp A1, A2

[From "Political Desk"]

[Text] Like it not, former military leader Gen Suchinda Khraprayun became the country's 19th prime minister yesterday despite opposition to his well-planned yet hasty ascension to the top executive post. Although he has solid military support, his new government faces a serious image problem.

The initial opposition, coupled with a slim majority in the House, have cast a shadow on the stability of his regime. From the outset, the new prime minister faces the extremely difficult task of explaining why he accepted the premiership after staging the Feb 23 coup last year and why he broke his vow not to accept the post after the election.

Public opinion against a non-elected prime minister is obviously a negative factor. Even if the opposition subsides following the royal command yesterday appointing Suchinda to the top job, it will probably persist and cause him concern throughout his open ride on the tiger's back. If any of his present political assets work against him, public discontent could snowball into a serious destabilizing factor.

The five parties which supported his nomination and are expected to be in his coalition government include old faces from the infamous second Chatchai Cabinet, while parties with a positive image—Democrat and Phalang Tham—will certainly take a firm stand as opposition parties.

Many politicians from the five parties will be unacceptable to the public if they are appointed to the Cabinet and Suchinda's only choice is to try to bargain for recognized technocrats and outsiders to control key Cabinet posts. Whether this will work to improve his administration's image or not remains to be seen.

If the powerful politicians ruled unusually rich by the Assets Examination Committee Suchinda set up after the coup are appointed to the Cabinet, he will be accused of paying lip service to the people in seizing power in Feb last year. He would also be seen as glossing over the alleged corruption of these politicians simply for political power.

One political asset which Suchinda can count on, at least in the near future, is military support.

His rise to the top political post is undeniably the outcome of a compromise supported by powerful figures in the Armed Forces.

As a result his brother-in-law, Army Deputy Commander in Chief Gen Itsaraphong Nunphakdi, is set to gain the top Army post, forming a base of military support for the new prime minister; Army Chief of Staff Gen Wirot Saengsanit is poised for promotion to Army deputy commander in chief which could be a stepping stone for him to succeed Itsaraphong in the future; and Air Force Commander in Chief ACM [Air Chief Marshal] Kaset Rotchananin is likely to become supreme commander while retaining his hold over the Air Force by clinging to his post as Air Force chief, thus edging out Air Force Deputy Commander in Chief ACM Kalintha, who is likely to be appointed interior minister in the new government.

As his relationship with Kaset is especially friendly, Gen Wirot can be assured of his future in the Army by Kaset's hold on the post of Supreme Commander, and the Air Force's sway over the Samakkhi Tham Party and, to a certain extent, the Chat Thai Party. Anan's expected control of the Interior Ministry seems to be a political asset for Kaset, given the ministry's influence over political parties. But any bitterness he might habour over being edged out of the Air Force when next in line to become commander in chief may not work in Kaset's favour.

With Kaset at the top of the Supreme Command Wirot seems assured of further promotion to commander in chief.

Another crucial factor in determining the stability of Suchinda's coalition government will be parliamentary support. On the surface this is fragile, given the slim majority of the five coalition partners who hold 195 out of 360 seats in the House.

With Suchinda's hold on the premiership and the anticipated appointment of an Army officer close to him to the defence portfolio, a check and balance structure between his military supporters will be established.

This kind of interdependence seems to be an asset for Suchinda in terms of his military support. But it also could be his major liability if he is forced, by the need to retain military support, to make concessions to demands by key military supporters for power. His problem is how to keep his image from deteriorating.

Power-hungry politicians who miss out on Cabinet posts could rock the boat and pose a serious threat to the government's stability.

But the parliamentary factor is more complicated than it looks, as it has always been in the contemporary history of Thai parliamentary politics.

Prime Minister Suchinda can count on the support of the 270- member appointed Senate which has interim constitutional powers to join the House in votes on crucial bills such as the budget and to participate in censure debates and vote.

Another lever for Suchinda in dealing with government partners is his constitutional power to dissolve the House, meaning political troubles arising from disgruntled politicians in the coalition may not be forthcoming, simply because MPs simply need time to accumulate financial strength before the next election.

The House majority of the government coalition certainly is slim, unless one of the four key parties in the rival bloc defects to the coalition, a scenario which seems likely today. Yet House stability does not hinge only on the number of government MPs.

Weakness in the opposition bloc is tantamount to the government's strength.

The Democrats have proved to be in their best form when they fight from the opposition corner. Democrat leader Chuan Likphai is second to none in his political finesse and his biting, yet subtle, rhetoric. There are also at least 20 more recognized Democrat speakers. Phalang Tham MPs will be given a shot in the arm with the presence of their party leader, popular former Bangkok governor Maj Gen Chamlong Simuang, in the House.

The two are expected to put on an impressive show of political skills in the House of Representatives.

Ironically, the biggest opposition party, New Aspiration [NAP], is likely to be the weakest. NAP MPs include politicians from different parties, proteges of local tycoons and even local tycoons themselves. They have already earned a poor reputation for their lavish spending during the election campaign.

The sense of loyalty of NAP MPs is nothing compared with that of their counterparts in the Phalang Tham and Democrat parties. A group NAP MPs has followed Chawalit's lead simply because they pinned their hopes on him becoming premier. Chawalit's failure, coupled with his wavering stand on political issues, have cast doubt on his ability to control the rank and file, making it easy for the other bloc to sabotage the party's unity.

In short, it is still too early to say the Suchinda administration will be shortlived, yet it is pretty safe to say he will face increasing political difficulties during his tenure.

Much will depend on how he forms his Cabinet and responds to public sentiment to try to prevent his image from sagging and finally destroying his political stability.

Survivability, Limits of Power Seen

BK0804025592 Bangkok BANGKOK POST in English 8 Apr 92 p 4

[By Banyat Thatsaniyawet]

[Text] Finally Supreme Commander and Army Commander-in-Chief Gen Suchinda Khraprayun has been appointed Thailand's 19th Prime Minister. That marks the end of the National Peace-Keeping Council [NPKC] which last year staged a coup d'etat and laid down the political path for him.

It is a new start for Gen Suchinda, who rose steadily through the Army to the day he staged the coup on February 23, 1991. In the political arena, which has changed greatly, he may have been born too late, however.

It seems improper for a coup leader to extend his powers by becoming Prime Minister after people throughout the country have elected their MPs to Parliament.

Gen Suchinda is not likely to enjoy the same unlimited power held by former strongman Field Marshal Sarit Thanarat, or even Field Marshal Thanom Kittikhachon who led the Saha Pracha Thai Party.

He will not enjoy as much influence as former prime minister Gen Prem Tinsulanon who, as a non-elected prime minister, was protected by his coalition parties for eight years. That is not likely to occur again.

Those days are gone. People have been made aware of the democratic system and the democratic trend is growing. Turning the clock back to the days when the country belonged totally to the military is not possible.

Gen Suchinda will continously meet strong resistance from inside and outside of Parliament. Last year's strong public opposition to the draft Constitution is a case in point.

Gen Suchinda, though he will have to relinquish all active military posts, will first have to explain why he has swallowed his own words. During the height of the protest against the Constitution last year, Gen Suchinda publicly announced that he "definitely" would not accept the premiership and that the NPKC would not seek to perpetuate its power.

Everything appeared well planned, however, to extend the powers of the NPKC. This could be seen in the drafting of the Constitution which gave considerable power to the Senate and allowed an outsider to be prime minister. The Samakkhi Tham Party was also formed to support the military.

Gen Suchinda will now have to work with a number of MPs whose behaviour was described as "rotten" by the NPKC. He will have to depend on these "rotten MPs" who bought their way into Parliament. He may also have to sit in the same cabinet as politicians found to be unusually wealthy by the Assets Examination Committee which he set up after the coup.

Looking at the five pro-military parties—Samakkhi Tham, Chat Thai, Social Action [SAP], Prachakon Thai and Ratsadon—it can be seen that Gen Suchinda has none of these MPs to act as his base in Parliament. Perhaps, the only MP that could be considered his true backer is Social Action secretary-general Lt-Gen Khasem Kraisan, who is his long-time friend.

Two of the parties—Samakkhi Tham and Chat Thai—are really "borrowed" from Air Force chief ACM [Air Chief Marshal] Kaset Rotchananin. ACM Kaset's former subordinate ACM Somboon Rahong is the leader of Chat Thai, while another Air Force man, Sqn Ldr [Squadron Leader] Thiti Nakhonthap, played a key role in the formation of the Samakkhi Tham Party.

The SAP became estranged when party leader Montri Phongphanit was declared unusually wealthy.

Prachakon Thai and Ratsadon are parties that will "change with the times."

From the make-up of the coalition parties, Gen Suchinda will have to rely on ACM Kaset's support. Whenever the Air Force chief withdraws his support the government will not survive.

Who then will have the most power in the immediate future? ACM Kaset is the answer. Apart from succeeding

Gen Suchinda as Supreme Commander, he also controls the two largest parties in the coalition.

With 195 MPs in Parliament—only 15 more than a simple majority in the House—the new government will get tired easily and have to use a lot of money to keep MPs in line. Under the new Constitution, Parliament holds two sessions a year, or a period of six months. There will be plenty of time for trouble to occur.

The opposition will be made up of the New Aspiration, Democrat, Phalang Tham and Solidarity parties which altogether have 163 MPs. Many of these MPs are veteran politicians with sharp tongues. The battle in Parliament will be very hot, particularly when pro- democracy MPs seek to amend the Constitution to curb the power of the Senate and make the House Speaker the Parliament President.

At this stage one has to mention New Aspiration leader Gen Chawalit Yongchaiyut. Not to mention him would give him little honour. Many could not imagine his role in Parliament but if one thinks of his ability outside of Parliament, particularly the ability to mobilise public support, then the new government will not be able to feel too comfortable.

With the cause of its struggle being a truly democratic system, the legitimacy of the opposition movement can only but grow with time.

Opposition Leaders on Plans Against Suchinda

BK0904021992 Bangkok THE NATION in English 9 Apr 92 p A1

[Text] Opposition leaders reaffirmed their unity yesterday, dismissing a feared last-minute switch to newly-appointed Prime Minister Suchinda Khraphrayun and mocking his statement that his takeover of the top post was in fact a sacrifice.

The New Aspiration, Democrat, Phalang Tham and Solidarity parties, which command 163 MPs, may be able to launch their first offensive against the Suchinda government as early as the first session of Parliament, said New Aspiration Secretary-General Phisan Munlasatsathon.

"The four parties will fight by all means, inside and outside Parliament, for our principle that the prime minister must come from the election," Phisan said.

Democrat leader Chuan Likphai said Suchinda was "misleading" ' the public when he said he took the premiership because he was destined to serve the country.

"He is a good man, except that he is hardly reliable," Chuan said.

Suchinda, who had said he would never become prime minister, described as a "sacrifice" his widely-criticzed decision to finally accept the post.

"There's nothing wrong with him becoming prime minister," Chuan said, "but he just shouldn't have distorted the situation by saying that he was sacrificing everything for the country and the people."

Last year's coup and the subsequent adopting of a controversial constitution considered by critics to be pro-military showed that Suchinda had eyed the premiership from the beginning, Chuan said.

"I don't know whether Gen Suchinda was drunk when he made those pledges not to become prime minister," the Democrat leader said.

New Aspirtion leader Chawalit Yongchaiyut, Suchinda's ex-boss turned arch rival, warned that the new government could face serious internal problems.

"The Opposition is not strong enough to overthrow the government. But please remember one thing, that whatever rots, it rots from inside," said the former military chief.

Chawalit warned that the Opposition was prepared to take on the Suchinda government on the day it makes its policy statement.

"We are very determined," Chawalit said, adding that he would be the first to speak during the policy debate.

Air Force Chief Kaset Named Supreme Commander

BK0904010292 Bangkok Radio Thailand Network in Thai 0000 GMT 9 Apr 92

["Announcement of the Prime Minister's Office on appointment of military officers for royal service," issued on 8 April]

[Text] A royal command has been issued for Air Chief Marshal Kaset Rotchananin, Air Force commander, to become supreme commander and Air Force commander concurrently to serve the royal service.

This takes effect from 6 April 1992.

Announced on 8 April 1992.

Countersigned by Anan Panyarachun, prime minister.

Vietnam

Army Paper Criticizes U.S. Policy Toward SRV

BK0804094592 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 7 Apr 92

[Article by Trieu Phong in QUAN DOI NHAN DAN: "What Is Wanted and Not Wanted"]

[Text] Some people say we should change what the United States does not like and do what the United States expects to expedite the normalization of bilateral ties. They say the U.S. does not want Vietnam to consider it an old enemy. At the same time, the U.S. has always claimed that Vietnam wants to turn to a new chapter in bilateral ties but that it still considers the U.S. administration a mastermind of the peaceful evolution in Vietnam.

Vietnam has clearly expressed its wide open-door foreign policy. It wants to befriend all countries in the world community which struggle for peace, independence, and development. Many new friends have arrived in Vietnam and it has befriended many near and distant countries. How about the U.S.? It is crystal clear that since 1975, the United States has consistently applied its cruel embargo against Vietnam. Everyone knows that according to U.S. law this is a policy used against a hostile and unfriendly country.

Vietnam and the U.S. have held many meetings to discuss common issues and the normalization of ties. Yet, they have clung fixedly to their modus operandi of imposing one demand after another. Who has displayed goodwill in this matter? Those who are aware have seen that the United States is obstinate and unaware of the times. Even its friends and political circles share the same view.

As for peaceful evolution, this is a U.S. strategy against socialist countries. Was it not former U.S. President Nixon who wrote the book entitled *1999: Victory Without War* to present and guide the implementation of this strategy?

Vietnam has always wanted to turn over to a new chapter in bilateral relations. The U.S. side only has to keep abreast of the times and relinquish its hostile attitude by lifting its embargo. Then, U.S.-Vietnamese ties would be normalized immediately and bilateral ties would be turned to a new page, i.e. one of peace, friendship, cooperation and mutual benefit.

Whether the U.S. is ready to forget the past and look to the future depends on whether it can recognize the times.

Some have added that the U.S. wants Vietnam's full and sincere cooperation in the MIA and POW issues which the U.S. considers as national priorities. In waging war against Vietnam, the U.S. administration perpetrated untold crimes against our people. However, with the traditional humanity of our nation and in sympathy with the unhappy mothers and wives of U.S. families, our government has consistently treated the POW and MIA issues as humanitarian matters that are totally unrelated to politics.

We have turned over all Americans captured during the war to the U.S. side and we are ready to cooperate in all efforts to search for remains of the MIAs. As for the U.S., it has linked these issues to politics. The U.S. itself has admitted that the photos of live MIAs had been doctored by some Americans to make money out the sufferings of other Americans. These two differing attitudes will help people see easily who has goodwill.

History has recognized and literature has recorded our the humanitarian policy of our government and people toward POWs. A story has been told that while the U.S. administration disregarded Christmas and used B-52 planes to conduct carpet bombing that killed countless of innocent Vietnamese, in a luxurious hotel in Vietnam, the administrators of American prisoners were still searching for turkeys to replace the Christmas geese and grilled sugar as substitutes for chocolate to help them enjoy Christmas. Such contrasting scenes!

Vietnam has settled the POW issue not only with the U.S. but with several countries that had invaded Vietnam and we have received their sincere thanks for our humanitarian policy. But why has the issue become so complex with the U.S.? They have made continuous demands and even wanted access to any part of the country to look for MIAs, treating Vietnam as if it did not belong to anyone. Meanwhile, they have restricted the movement of our diplomats in their country. Is there any hidden meaning behind this?

They have informed us that they expect Vietnam to do several things which can be summarized as follows: To abandon issues that are no longer realistic such as Marxism-Leninism, the dictatorship of the proletariat and the class struggle, and to be even bolder with renovation especially in politics, to conform with the Western values of freedom, democracy, human rights, and so on. They added that it is up to the Vietnamese people whether they want monopartyism or multipartyism, a parliamentary democracy or any other type of democratic system in line with capitalist or socialist democratic systems. They say they do not want to give their opinion on this.

What nice platitudes! Just look at the free choices of the capitalist and socialist democratic system. They are identical. But, socialism is not a choice. That is the problem. They loudly proclaim freedom but forbid others to pick a system of their choice. So are the types of freedoms and democracy which they have advised us to choose! That is to deny communism, reject socialism, and follow their orbit.

To enhance the value of their theories, they added: These wanted and unwanted things stem primarily from concern for Vietnamese people and their interests. At the same time, they benefit regional and world order. The U.S. does not seek any prerogative nor privilege here. Is this true? Isn't this their way of imposing a new world order?

After many years of being forced to take up arms and to sacrifice for independence and freedom, our country is now unified. We want to work peacefully to enrich our people, close the gap between our nation and many others to compensate for the years of dangerous and hard combat and the destruction of war. We are struggling for peace, stability, independence, and development. We will continue to uphold self-reliance, develop all national material and intellectual potential, and expand international cooperation and welcome the support of close and distant friends for these legitimate aspirations.

We advocate the policy of equal cooperation for mutual benefit with all countries regardless of different sociopolitical systems, on the basis of the principles for peaceful coexistence. In this friendly cooperation, we will firmly maintain our socialist orientations of national independence, sovereignty, and characteristics. All ties to be lasting must be based on mutual trust and respect and must benefit both sides. That is a conjugal relationship. Ties between countries and nations are no different.

Market Economy's Pluses, Minuses Viewed

BK0704113192 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 31 Mar 92

[Article by Mai Huyen: "Why Accept the Market Economy While Refusing the Capitalist Road?"]

[Text] Why do we accept the market economy while we have refused to accept the capitalist road? Many people share this concern over the country's fate. Since this is a totally new issue, it is not easy to overlook this concern. Yet, we must still justify everything we have done.

That our people have refused to accept a social regime based on human exploitation stems from past realities. And the issue can be understood easily. As for why we must accept the market economy, this is mainly due to two reasons: first, the market economy is an inevitable stage that every country must go through on the historical path of progress. Socialism could come into being and develop only on the basis of a developed market economy that has reached its peak.

Originally, mankind had a natural economy which turned out products mainly meant to satisfy the demands of producers themselves. The more developed production forces are, the larger and more profound the division of labor and specialization of production becomes. Then appeared the demands for exchanging products between separate producers through monetary trade in markets. Such an organization of production is called goods production or market economy.

Formerly, due to the failure to realize such a natural characteristic, the entire world socialist system erred. This was the very reason for its slumping and inactive economies. State economic management has become subjective and voluntaristic and the state has been transformed into a bunch of sweet carambola for everyone to pluck daily until there is no more fruit left to pluck. Workers under no pressure do not work hard and do not feel like working hard because there is no incentive.

The sixth party congress decided to shift to a multisectoral goods economy. Under the market mechanism we have accelerated our production for only five years, and the socioeconomic face of our country has definitely changed and now abounds with products. People have become rich quickly and the people who have enriched themselves legitimately the fastest are those who know how to trade.

Of course, this situation has happened not without some negative phenomena. However, if huge profits are to be collected, it is definitely impossible not to endure and impose some irksome restrictions. We cannot quit the path that we must necessarily follow because of these negative phenomena. That is the first reason.

Second, the market economy is not identical to capitalism even though thus far modern capitalism is the peak of the market economy. Goods production has existed for a very long time now, even before capitalism came into being. Originally, it was a simple goods economy with the basic characteristic of production based on private ownership but without exploitation of others' labor. It was an economy linked to peasants and craftsmen.

After thousands of years of development, simple goods production has created premises for the birth of higher level goods production represented by capitalism, which has the fundamental characteristic of exploiting others' labor. So stated, there must be different goods economies depending on the various economic conditions.

Due to the failure to realize this characteristic, many people have considered the development of goods economy to be identical to the development of capitalism. The goods economy we are developing exists within the new political and economic conditions. It is an economy functioning under the managerial supervision and control of a state of the people, where the conditions of public ownership hold the leading role and the economy is not under the domination of private ownership. The very purpose of this production is to meet the ever-increasing demands of the people. Relations between producers are relations of equal cooperation and mutual benefit in conformity with law.

We should note that our country is in the period of transition to socialism. Our goods economy is therefore multisectoral and oriented toward socialism. In such an economy the two opposing forms of economy with and without exploitation must definitively coexist and develop. If the multisectoral economy is objective and useful under certain definite historical conditions, the coexistence and development of both forms of goods production must also be objective and useful.

This is a basis from which we can look correctly at the phenomenon of what is now called exploitation. To socialists this is a social injustice to be eliminated. However, it is much easier to claim elimination than to create conditions for actually eliminating it.

Sometimes going around to reach the goal might be the shortest way. To a country like ours that has not gone through the developed market economy, in order to get rid of poverty and backwardness and create jobs for workers, the least we must accept is some social injustice, provided that we can develop the production forces vigorously. Without this premise, it is impossible to demand immediate abolition of exploitation.

What is new is that accepting such a bargain is not without some limit because our people have owned their state and also their economic wand of public ownership. How important is public ownership? It is the leader of the economy that controls and regulates all other economic sectors and participates in concentrating goods, finances, and banks.

In developing the market economy, we must also accept step by step the need to deal with another reality—the division between the rich and poor that is currently a concern of many people. Yet, we should not be afraid because if there is not a situation in which some people can enrich themselves today and some others tomorrow, the ideal we are trying to reach will be poverty and socialism. What is unprecedentedly new in history is that the state and the entire society must primarily take care of the poor, and then create conditions for guiding them to earn ever-more income in keeping with the slogan of together fighting poverty and starvation and not opposing enrichment, but not in accordance with the slogan of being rather thoroughly bad than having a good appearance.

Another issue that we should consider with a calm attitude is ethics and lifestyle linked to the development of market economy. It is really difficult to persuade all people that money is not everything in the market economy. As a result, the society should pay most attention to educating the people on ethics and the new lifestyle in order to restrict social negativism caused by money. Although it is really difficult to do so, we cannot help but do it and there is always the possibility of doing it well.

To sum up, to have genuine socialism our country must develop a market economy that has both good and bad things. It is a double-edged knife. Even though strong and bitter medicine can cure a disease, there is still the possibility that we will swallow much bitter medicine without feeling better, and our disease will become worse. How can we prevent such a gloomy possibility? In conclusion, it is always the people who decide. If, on the one hand, all people singlemindedly develop the national spirit and creativity to turn out much wealth for the country and, on the other, willingly and scrupulously abide by the law and social discipline, there will be no difficulty that we cannot overcome.

National Assembly 7 Apr Session Reported

BK0804144192 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 7 Apr 92

[Report on 7 April National Assembly session held in Hanoi—read by announcer]

[Text] On 7 April the National Assembly held a plenary session at the conference hall. National Assembly Chairman Le Quang Dao directed the session.

The National Assembly continued its voting to pass Articles 37 through 42 of Chapter 3 of the draft of the revised Constitution dealing with culture, education, science, and technology.

As for Article 37, the National Assembly heard Comrade Dang Quoc Bao speak on behalf of the Constitutional Amendments Drafting Board. Comrade Dang presented the revised contents of the Constitution based on the views of various deputies at the session where they called for an emphasis on the actual position of science and technology in the economy. The National Assembly then overwhelmingly voted to pass this article intact.

After hearing some suggestions about the need to add the sentence "priority must be given to pivotal technologies and some important scientific sectors," the National Assembly passed Article 38 with a majority vote with its content intact.

The National Assembly also unanimously passed Article 39 with a majority vote, despite the suggestion of some deputies who wanted to add the following: "It is necessary to work out a priority policy to give health care to the compatriots of various ethnic minority groups and those living in mountain regions." The state should unanimously invest in health care. The passage which says the health sector should regard its disease-prevention activities as the main task should be dropped. On the other hand, The passage emphasizing the need to combine state healthcare activities and those of the people in keeping with the multisectoral economy should be added.

The newly-added Articles 40, 41, 42A and 42B were also passed by the National Assembly with a majority vote despite questions about whether it was suitable to leave the subject of tourism in Article 42 and to incorporate it in the economic chapter.

Comrade Nguyen Viet Dung, on behalf of the Constitutional Amendments Drafting Board, presented various revised articles of Chapter 4 dealing with the safeguarding of the socialist Vietnamese fatherland. Regarding the chapter's title, the majority of deputies voted for the way it was cited in the draft amendments.

Article 43A was added to the draft amendments on 6 April with a passage from the last part of Article 46 saying safeguarding the socialist Vietnamese fatherland is the undertaking of all people. The state should build an all-people national defense with the People's Armed Forces at the core and should develop its combined strength in various domains—political, economic, military, and diplomatic—to defend the country and contribute to maintaining world peace. State organs, economic and social organizations, and citizens should perform their national defense and security duties fully as stipulated by law. Due to differing views on the use of terms and the wording of this article, the National Assembly unanimously agreed to defer it and assign it to Constitutional Amendments Drafting Board for rectification and then to resend it to the National Assembly for approval.

After discussing the remaining articles of Chapter 4 and giving additional views on them, the deputies modified some sentences and terms and added words to them to assert the position, functions, and responsibility of the state and targetted people, regarding the contents of the Constitution. Almost all deputies voted to pass these articles as recommended in the revised draft constitution, based on views aired in group discussions and at the conference hall.

In its 7 April sitting under the chairmanship of National Assembly Chairman Le Quang Dao, Comrade Phung Van Tuu, on behalf of the Constitutional Amendments Drafting Board, presented Chapter 5 dealing with the fundamental rights and obligations of citizens as outlined in Articles 47 thru 61 of the draft constitutional amendments. One after another, the deputies heard the presentation of the rectified articles and provisions, as recommended by National Assembly deputies in their past discussions.

Deputies heatedly debated Articles 52, 53, 54, 56, and 61. As for Article 53, the majority of debators suggested incorporating the following passage to the first line of Article 54: The state should promulgate a social welfare policy.

The issue of the state protecting the legal ownership and the inheritance right of citizens as cited in Article 56 was carefully discussed by the deputies. Also widely discussed was Article 61 dealing with the need for the state and society to create conditions for women to improve all aspects of their knowledge and constantly develop their role in society and in their families. The National Assembly discussed Articles 47 through 61 of this chapter.

The National Assembly will hold a plenary session on 8 April at the conference hall to continue its debate on the remaining articles of Chapter 5 and the following chapters.

National Assembly 8 Apr Session Reported

BK0804150392 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 8 Apr 92

[Report on 8 April National Assembly session in Hanoi—read by announcer]

[Text] Dear friends: Today, 8 April, is the 14th day of the Eighth National Assembly's 11th Session.

The National Assembly in a plenary session at the conference continued its debate to pass the remaining articles of Chapter 5 dealing with the fundamental rights and obligations of citizens and a number of articles in Chapter 6 of the draft constitutional amendments on the National Assembly.

At the morning sitting conducted by National Assembly Chairman Le Quang Dao, National Assembly Vice Chairman Phung Van Tuu presented the revised Articles 61 through 81 of Chapter 5 dealing with the fundamental rights and obligations of citizens based on the views of the deputies.

Later, the deputies had a heated debate and continued to contributed more views on every article of Chapter 5.

The National Assembly unanimously passed Articles 63, 64, 65, 66, 67, 72, 73, 74, 76, and 78 on children's rights, the duties of youths, the question of caring for war invalids, sick soldiers, families of fallen heroes, people and families with meritorious deeds for the nation, the aged and the handicapped, orphans and homeless children, and so forth.

As for Article 61 of Chapter 5, the deputies unanimously agreed with the draft amendments. However, they also suggested adding some sentences to this article to improve it. For instance, they added: The law recognizes a woman's right to motherhood and strictly forbids all acts of abuse against women.

A number of debaters also emphasized the family factor in Article 62, the role of parents and grandparents toward their sons and grandsons, as well as the obligations and responsibilities of a son or a grandson to his family and society.

The National Assembly suggested dropping Article 79 of Chapter 5 because it was fully covered in Article 40 of Chapter 3.

In general, after proposing to add or drop words in Chapter 5, the National Assembly further clarified and ensured the adequacy of various fundamental rights of citizens in order to develop the socialist democracy, taking into account the feasibility based on the actual potential of the country.

With that sense of responsibility, the deputies concentrated on discussing a number of articles and provisions in Chapter 6 dealing with the National Assembly in their afternoon sitting. National Assembly Vice Chairman Phung Van Tuu directed the session.

Comrade Vu Mao of the Constitutional Amendments Drafting Board presented a roundup of the views of the deputies and a plan to rectify Chapter 6 dealing with the National Assembly.

Afterward, the deputies continued to discuss a number of articles in Chapter 6 on the duties and authority of the National Assembly. The debaters unanimously voted for Article 82 of Chapter 6 which says: The National Assembly is the people's highest organ of representives and also the SRV's highest organ of power. The National Assembly is the only organ with legislative and executive power. It shall decide on essential domestic and foreign policies, on the country's socioeconomic, defense and security tasks, on the essential principles governing the organization and operations of the state apparatus, on social relations, and on activities of citizens. The National Assembly shall exercise its supreme supervisory right over all state activities.

With regard to Article 83, debate was concentrated on Points 3, 4, 7, and 9. The views were very diverse, and further clarified various important issues of these points.

As for Point 4, some debaters proposed giving the National Assembly more power to decide on money printing. Others requested that they do not define the National Assembly's authority to decide on the allocation of state budget because they believed that this is the duty of the government.

Regarding Point 7, debaters unanimously agreed with the following passage: The National Assembly shall ratify and not vote in support of proposals by the prime minister for appointing, releasing from duty, or sacking a cabinet member.

After hearing many views, the National Assembly had voted to pass Points 3, 4, 7, and 9 of Article 83 and the entire article in a majority vote as cited in the draft amendments.

In the final part of this afternoon sitting, the National Assembly discussed Article 90 on the duties and authority of the National Assembly Standing Body. National Assembly deputies concentrated their debate on Points 6, 8 and 9, especially on Point 8 on the promotion of high-ranking officers in the Armed Forces, the nomination of personnel to diplomatic and other administrative ranks, and the conferment of orders, medals, and other state honorary titles. In Point 9 on price fixing, the debaters voted to leave this to the discretion of the president of the state.

They also discussed and voted to add a point to Article 90 which says: Based on the recommendation of the prime minister, the National Assembly Standing Board shall ratify and present this article to the National Assembly for approval at its next meeting. Finally, the National Assembly voted to pass the entire Article 90.

Tomorrow, the National Assembly will continue to work at the conference hall.

Communique No. 13

BK0804145492 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 8 Apr 92

[Communique No. 13 of the Eighth National Assembly's 11th Session]

[Text] The Eighth National Assembly's 11th Session on 8 April held a plenary meeting at the Ba Dinh Conference Hall in Hanoi. National Assembly Chairman Le Quang Dao directed the morning session.

The National Assembly discussed and adopted Articles 62-81 in Chapter 5 of the revised Constitution which deals with fundamental rights and obligations of citizens.

The afternoon session was directed by Comrade Phung Van Tuu, vice chairman of the National Assembly. The National Assembly discussed and adopted Articles 82-91 in Chapter 6 of the revised Constitution which deals with the National Assembly.

Tomorrow, 9 April, the National Assembly will continue its plenary session at the conference hall.

Australia

Prime Minister's Asia-Pacific Policy Viewed

BK0804113292 Melbourne Radio Australia in English 0803 GMT 8 Apr 92

[From the "International Report" program]

[Text] The Australian prime minister, Paul Keating, has proposed that Asia and Pacific leaders meet regularly to discuss regional economic cooperation. He says the absence of such a forum is conspicuous in a region whose weight in global affairs is steadily increasing. The proposal was part of Mr Keating's first formal statement on Australia's relations with Asia since becoming prime minister late last year. Radio Australia's Trevor Watson reports from Sydney.

[Begin recording] [Watson] Mr. Keating's address opened on what has become a popular theme at home and in some parts of Asia, the need for Australia to sever its remaining constitutional and attitudinal links with Britain and the British monarchy. He again criticized Britain's alleged disregard for Australia's defense during World War II and Australia's long-serving Liberal Prime Minister Sir Robert Menzies. Under his leadership in the 1950's and 60's, Mr. Keating said a generation of Australians sank into Anglophilia and torpor.

[Keating] I am pleased but not surprised for the positive reaction in Southeast Asia for the recent spurs of independence and republic increasing in Australia. We cannot pretend to ourselves that we are insulated from the change in the world. In any event, the old traditions of Australia will remain with us. We are not about disloyalty but the opposite. We are about nationhood and the democracy which is at the center of it. There is something I think Australians must realize that we do not go to Asia clapping hands any more than we go like Menzies went to London pleading family ties. We go as we are, not with the ghost of empire above us, not as a vicar of Europe, or as a U.S. deputy. But I am [word indistinct] sure of who we are and what we stand for. In 1992, we should not think that we are anything less than a rightful presence in the region. It is sometimes argued that Australia's democratic institutions and traditions [words indistinct] somehow disqualify us from forming successful relationships in Asia. Our starting point is that Australia's democratic institutions and traditions are non-negotiable.

[Watson] In addition to the example of its democratic institutions, Mr. Keating said Australia had much to offer Asia economically.

[Keating] It is important for Australians to realize that this country's economic weight is considerable. Our GNP is third in the western Pacific and equals to the combined GNP of all the ASEAN countries. We have much of what the countries of the region need—resources, space, a skilled work force, education services. Indicating the efforts of Australian business to expand our commercial relations in the region, more than 60 percent of Australia's merchandise exports now go to Asia. The opportunity for Australia of course cannot be overstated.

[Watson] Having forcefully put his views on Australia's future role in the region, Mr. Keating turned to the kind of region he would like it to be. The Australian leader would like the United States to attain strong economic and political links with Asia. He would like Japan to take on the leadership role in keeping with its impressive economic achievements. And he would like to see improvements in the trading environment under the auspices of the APEC [Asia Pacific Economic Cooperation], an Australian intiative which groups the region's major economies.

[Keating] Another way of promoting cooperation in the Asia-Pacific region will be to establish a process of periodic heads of government meetings, say every two or three years. The absence of such a process is conspicuous in a region whose weight in global affairs is steadily increasing. Various formulas of participation are possible but I personally would find most attractive a mechanism based on APEC membership because it embraces the most important economic linkages throughout East Asia and across the Pacific. I discussed this general idea with President Bush when he visited Australia. I had to pursue it as opportunity allows us without the Asia-Pacific leaders.

[Watson] The prime minister concluded by pointing out that Australia's success in Asia would ultimately depend on commitment.

[Keating] It depends on the individual and (?public affairs) of Australia. It depends on establishing beyond that, that Asia is where our future substantially lies, that we can and must go there and that this course we are on adheres their support.

[Watson] Mr. Keating will reinforce his commitment to the region later this month when he makes his first overseas trip since becoming prime minister. His itinerary takes him to Papua New Guinea and Indonesia. [end recording]

Ministers Welcome French Nuclear Testing Halt

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[Text] Australia and New Zealand, both long-time critics of French nuclear testing in the Pacific, have welcomed the suspension of the test programs. Australia's Foreign Minister Senator Gareth Evans, who is on a visit to Japan, said France has made its decision to halt nuclear tests in the Pacific permanent.

A spokesman for his office in Canberra said the Australian Government had been working directly with France to bring about an end to the nuclear testings.

New Zealand's Foreign Minister Don McKinnon welcomed the French move and linked it with the political gains being made in France by the so-called green parties.

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